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## Social Security in Review

THE REAPPOINTMENT of Ellen S. Woodward of Mississippi as a member of the Social Security Board for the term expiring August 13, 1949, was approved by the Senate on July 5. Mrs. Woodward was first appointed in December 1938, to fill the unexpired term of Mary W. Dewson of New York.

EXPENDITURES FOR public assistance and for earnings under Federal work programs in the continental United States, which have dropped substantially in each month but one since March 1942, registered a decline of 5 percent in May. The total amount expended, \$78.9 million, was slightly more than half the May 1942 total and about one-fourth the January 1934 peak. The number of recipients and of persons employed declined from April for all programs, and total payments declined under all but old-age assistance and aid to the blind. The closing down of the WPA program again accounted for a large part of the decline in payments.

As in each of the previous 10 months, the number of recipients of old-age assistance declined less than 1 percent in May; there were 80,000 fewer recipients of assistance than in June 1942, a decline of 3.6 percent. In the same period, total payments under the program increased in every month but one and in May were \$3.5 million or 7.1 percent greater than in June 1942. The number of families receiving aid to dependent children in May was the smallest since November 1939. Continuing the downward trend which began in April 1942, the number decreased 2.3 percent from April to May and 22 percent during the 14-month period. With some fluctuations, the trend of payments has also been downward, and in May total payments were 13 percent below the April 1942 level. The number of recipients of aid to the blind continued to decline slightly for the fifth consecutive month, and payments increased for the third consecutive month. In

comparison with May 1942, recipients had declined in number but total payments had increased.

Less than half as many cases were receiving general assistance in May as in February 1942, when the uninterrupted monthly decline began for this program, and the total amount of assistance payments was half that of the earlier month. Only 5,700 persons were left on the WPA rolls in May, and payments dropped to about \$2 million. Both the number employed under the NYA student work program and the amount of earnings declined from the April figures; in May the number of students was two-fifths the number in May 1942 and earnings were only half as much.

UNEMPLOYMENT BENEFIT PAYMENTS dropped again in May, when the total amount expended—\$6.4 million—was only one-fifth that for May 1942. A 13-percent decrease from April in initial claims received in local offices indicates that June payments may reach another record low. The average weekly number of claimants receiving benefits—119,500—was the smallest in the history of the program. Illinois, Maine, New Jersey, New York, Rhode Island, and Tennessee accounted for almost half the total number of beneficiaries in the country, though they have only one-fourth of all the covered workers.

BY THE END OF MARCH, 69.8 million social security accounts had been established, which represent, it is estimated, 65 million living account holders. Sixty percent of the 1.7 million accounts established in the first quarter of this year were for female applicants; a year ago only 48 percent of all applicants were women and girls. Women aged 35 and over, the great majority of whom were undoubtedly housewives, accounted for half the total increase of 441,000 from January–March 1942. In contrast to the 76-percent rise in the number of female applicants, the number of males

for whom accounts were established was only 8 percent above that in the first quarter of 1942. Most of the increase represented boys under age 18 although the number of men 50 years and over also increased; in the other age groups, the numbers actually declined. Accounts established for Negro applicants rose 78 percent from the first quarter of 1942; most of this increase represented applications from Negro girls and women for whom opportunities in covered employment are becoming more numerous.

Monthly benefits of \$14.2 million were in force at the end of May for almost 781,000 beneficiaries. Primary beneficiaries constituted 44 percent of the total number; in May 1941 they had represented 50 percent. Benefits in suspension continued to increase both absolutely and relatively and represented 11.8 percent of the total number in force in contrast to 7.6 percent at the end of May 1942. Monthly benefit payments of more than \$12.7 million were certified during the month to 678,000 beneficiaries, of whom 42 percent were primary, 14 percent supplementary, and 44 percent survivor beneficiaries.

THE FEDERAL SECURITY APPROPRIATION ACT, 1944 (Public Law 135), approved by the President on July 12, makes the following appropriations for the work of the Social Security Board for the fiscal year 1943-44: \$325 million for grants to States for old-age assistance; \$65 million for aid

to dependent children; \$9 million for aid to the blind; \$35.3 million for unemployment compensation administration; \$21.9 million for salaries and expenses of the Board; and \$3 million for expenses not included in the specific items cited.

The act specifies that none of the money appropriated to the Board, or to the Children's Bureau, for the purpose of making grants-in-aid to State agencies "shall be withheld from the said agencies of any States which have established by legislative enactment and have in operation a merit system and classification and compensation plan covering the selection, tenure in office, and compensation of their employees, because of any disapproval of their personnel or the manner of their selection by the agencies of the said States, or the rates of pay of said officers or employees."

The same act provides \$20,000 from the unexpended balance of the 1942-43 appropriations for the CCC to complete the liquidation of that agency as soon as possible "but in any event not later than June 30, 1944." The authority originally vested in the Director of the CCC for effecting the liquidation was transferred to the Federal Security Administrator.

Liquidation of the NYA "as quickly as possible, but in any event not later than January 1, 1944," has also been directed by the Congress, which appropriated a sum of not more than \$3 million to cover the necessary expenses of such liquidation.

# Economic and Social Status of Beneficiaries of Old-Age and Survivors Insurance

EDNA C. WENTWORTH\*

INSURANCE BENEFITS that provide a minimum degree of social security and that remove from as many individuals as possible, in the years to come, the necessity for dependency relief and substitute instead protection afforded as a matter of right were stated as objectives of old-age and survivors insurance by the Social Security Board and the Advisory Council on Social Security during congressional hearings in 1939 on amendments to the Social Security Act.<sup>1</sup> When the original act was passed in 1935, and when it was amended in 1939, little was known about the economic and social status of prospective beneficiaries of the old-age and survivors insurance system. Under the 1939 amendments, the monthly benefits could not be large; the primary insurance benefits awarded in 1940 could range only from a minimum of \$10 to \$41.60. The extent to which such benefits would provide basic protection against want was not known, because information was lacking as to whether beneficiary groups would be living alone or in larger family groups, what assets or additional sources of income beneficiary groups with low or high family insurance benefits might have, and to what extent beneficiaries would draw on their assets to meet living expenses.

The information gained through the administration of the program shed little light, if any, on such problems, and information about income, assets, and living arrangements could be obtained only from the beneficiaries themselves. Accordingly, a series of surveys of insurance beneficiaries was made by the Bureau of Old-Age and Survivors Insurance in seven cities<sup>2</sup> during the period May 1941–July 1942. The results of the

surveys, covering 732 beneficiary families in Philadelphia and Baltimore combined,<sup>3</sup> 761 in St. Louis, and 1,078 in Los Angeles, are summarized in this article.

## Findings of the Study

Total resources, including benefit payments and other income and assets, varied considerably among the aged male beneficiaries included in the surveys, depending upon whether or not they were married, and, if married, whether their wives received supplementary benefits or there were children eligible for benefits. The resources of women entitled to insurance benefit on their own wage records were different from those of male beneficiaries in many respects. The survivor beneficiaries in this study—widows with children entitled to benefits—had a pattern which was distinct from that of the aged beneficiaries.

The median total income of the two groups of married male beneficiaries in Philadelphia and Baltimore combined and in St. Louis ranged from \$636 to \$697; in Los Angeles, the medians were \$921 and \$965. The nonmarried men in the three surveys reported a median income from \$404 to \$484; and the female primary beneficiaries in Philadelphia and Baltimore and in St. Louis reported \$390, and in Los Angeles, \$553. Half of the widows with entitled children had less than \$737 in Philadelphia and Baltimore, less than \$777 in St. Louis, and less than \$1,109 in Los Angeles.

The great majority of beneficiaries had income in addition to their insurance benefit. For many, the additional sources were reasonably permanent, such as retirement pay, private annuity, veteran's pension, and income from investments; for a significant proportion, however, the additional sources were of a temporary nature, such as earnings in employment, or unemployment compensa-

\*Bureau of Old-Age and Survivors Insurance, Analysis Division. The study of resources of insurance beneficiaries was initiated and developed by Margaret L. Stecker, formerly of the Analysis Division, who prepared the schedules and instructions, supervised the statistical analyses, and wrote the (unpublished) report, "Resources of Insurance Beneficiaries in Philadelphia, Pa., and Baltimore, Md., Report of a Field Study in May–July 1941." Marie C. Malitsky and Franklyn McCurdy, of the Analysis Division, also contributed to the development of the studies.

<sup>1</sup> U. S. House Committee on Ways and Means, *Social Security, Hearings Relative to the Social Security Act Amendments of 1939* (76th Cong., 1st sess.), pp. 5, 19–27.

<sup>2</sup> Philadelphia, Baltimore, St. Louis, Birmingham, Memphis, Atlanta, Los Angeles.

<sup>3</sup> Data from the Philadelphia and Baltimore surveys have been combined to give a sample capable of more significant analyses than either survey would have permitted; the two cities are alike in many respects and the beneficiaries in each survey showed similar characteristics.



tion. A small number of beneficiaries in Philadelphia and Baltimore and in St. Louis were aided either by relatives or by public or private relief agencies. In Los Angeles, old-age assistance payments furnished an important source of income for a relatively large proportion. Only a small proportion in each survey appeared to have sources of income which could be expected to provide life-long security. For example, slightly less than one-fifth of the male beneficiary groups had incomes of \$600 or more which were derived solely from the old-age and survivors insurance benefit plus retirement pay, private annuity, veteran's pension, or yield on investments or savings; for female primary beneficiaries and for widows with entitled children, the proportion was considerably less.

The majority of the beneficiaries reported assets, such as savings, homes, investments in real estate, or securities. The median net value of assets of the married male beneficiaries ranged from \$1,603 to \$2,870 in the three studies; that of nonmarried men from \$50 to \$200; that of female primary beneficiaries from zero to \$449; and the median of widows with entitled children was \$320 in Philadelphia and Baltimore, \$335 in St. Louis, and \$1,000 in Los Angeles. Approximately one-half to two-thirds of the married male beneficiaries owned their homes; among the other groups the proportion was smaller. For many, the equity in their home and two or three hundred dollars in cash completed their list of assets. Life insurance policies, which could be borrowed against, provided possible sources of cash for many beneficiaries; the majority, however, carried policies with face values of not more than \$2,000.

The living arrangements of aged beneficiaries and of widows depended to a greater degree on family relationships than on the income of the beneficiaries, although the average income of those living alone was slightly higher than of those living with relatives. Forty-five percent of all male beneficiary groups in Philadelphia and Baltimore, 56 percent in St. Louis, and 70 percent in Los Angeles, lived alone. Female primary beneficiaries lived with relatives more frequently than did male beneficiary groups. As would be expected, most of the relatives living in the households of beneficiaries were children of the aged couple, and, when the children were married, their spouses and children were also included in the households. Widows and

their entitled children found it desirable, or possible, to live in larger family groups more frequently than the aged beneficiaries. Unmarried adult children and parents of the widow were the relatives most frequently reported.

Because the primary benefit is based on the average monthly wage during the period when the beneficiary was building up rights to benefits, it is not surprising to find that beneficiaries with high benefits reported more income, greater assets, and more life insurance than those with lower benefits.

The income, assets, and living arrangements of the beneficiaries studied are representative of the resources, during a year beginning 1-18 months after entitlement in the cities surveyed. The resources will not, however, represent the economic and social status of the same beneficiaries a few years hence, because of the loss of temporary sources of income and the depletion of their assets, and because of changes in the membership in their families.

### *Nature of Surveys*

The field work was done in May-June 1941 in Philadelphia, June-July 1941 in Baltimore, November-December 1941 in St. Louis, and April-July 1942 in Los Angeles. Most of the data covered a period of 12 calendar months, ending, in the Philadelphia study, at the date of the interview, and, in the three other cities, with the end of the month preceding the interview. Some questions were asked concerning the living arrangements and household composition of the beneficiary group during the 12 months before the wage earner's entitlement to benefits.

The studies were designed to ascertain the economic status of primary beneficiaries—both men and women—and of widows with entitled children, and the persons included were selected to represent proportionately these types of beneficiary groups. The universe from which each sample was drawn comprised all beneficiaries to whom monthly benefits were awarded during a specified period of time and who were living in the particular city at the beginning of the year covered by the survey. For Philadelphia and Baltimore, the universe comprised beneficiaries to whom monthly benefits were awarded in the first half of 1940; for St. Louis it covered the calendar year 1940; and for Los Angeles, 1940 and January 1941. In all the studies, additional entitlements



on the same wage records which occurred prior to the beginning of the survey year were taken into consideration in classifying the beneficiaries according to marital and benefit status. The universe included 1,597 beneficiary groups in Philadelphia, 671 in Baltimore, 1,641 in St. Louis, and 2,686 in Los Angeles.

Beneficiaries were classified according to family types in both the universe and sample, depending on their family composition. The persons in the family taken into consideration in determining the type of claim are referred to as the beneficiary group. This group includes husband and wife, and unmarried children under age 18 who were either beneficiaries or potential beneficiaries.

Male primary beneficiaries—the largest group who became entitled to monthly benefits in each city—were divided into six types, of which four were included in the surveys:

1. Nonmarried men; no other beneficiary or potential beneficiary on the wage record;
2. Married men whose wives were entitled; no other beneficiary or potential beneficiary on the wage record;
3. Married men whose wives were not entitled; no other beneficiary or potential beneficiary on the wage record;
4. Married men whose wives were not entitled but who had one or more children under age 18 who were, or could have been, entitled.

The types excluded were: man with no wife but with entitled child, and man with entitled wife and entitled child. These two types totaled 10 male beneficiaries in Philadelphia and Baltimore, 1 in St. Louis, and 6 in Los Angeles.

In groups 1 and 3, only the primary insurance benefit is paid. In groups 2 and 4, there is an additional benefit in each family equal to half the primary benefit for each additional entitlement, up to a maximum of twice the primary benefit.

Entitlements of female primary beneficiaries are based solely on their own wage records, whether they are married or not. Their husbands are not entitled to benefits based on the wife's wage record; children under age 18 may be entitled, but there were no claims in any of the cities on which children were entitled on the basis of their mothers' wage records.

Although there are six types of survivor claims,

only three types were included in the surveys, and only the following two are discussed in this article:

1. Entitled widows with entitled children;
2. Nonentitled widows with entitled children.

These two types accounted for 84 percent of all survivor claims in the universe in Philadelphia and Baltimore, 78 percent in St. Louis, and 75 percent in Los Angeles. Widows aged 65 or over were included in the surveys but omitted from this analysis because of the small number involved—18 in Philadelphia and Baltimore, 43 in St. Louis, and 69 in Los Angeles. The other types excluded from the survey were: entitled child survivor of male wage earner when there is no widow; entitled child survivor of female wage earner; entitled aged parents of male wage earner. The excluded types totaled 33 groups in Philadelphia and Baltimore, 42 in St. Louis, and 87 in Los Angeles.

A widow is entitled to a survivor benefit amounting to three-fourths of the primary benefit based on the average monthly wage of the insured worker at the time of his death. At least nine-tenths of the widows with an entitled child were entitled to benefits, but a few had never claimed them because they had jobs in covered employment, or because four or more children in the family absorbed the maximum benefit allowable with respect to one wage record, or because—for some other reason—they did not meet the requirements for entitlement.

The sample was stratified according to the primary benefit amount and type of claim. The benefit amount indicates the relative economic status of beneficiaries during their working years, because the benefit is based on a worker's average monthly wage prior to his entitlement or death. All beneficiaries selected for an interview had received at least one benefit payment prior to the survey year, and at least one individual in the family had been entitled on the wage record during the entire year. The surveys did not include widows disqualified for benefits because of remarriage; the few widows who had remarried were omitted from the sample in order to keep family composition uniform in the analysis.

The St. Louis sample was controlled by month of entitlement, to eliminate the backlog of entitlements in January 1940. Because a larger proportion of January 1940 entitlements than of entitlements in subsequent months in 1940 were made to wage earners 65 years of age, this control resulted

in a smaller proportion of primary beneficiaries aged 65 at entitlement in the St. Louis survey than in the others, a factor to be considered in making age comparisons among the surveys. It also affects somewhat the number of months elapsing between covered employment and entitlement, the average monthly wage, and average primary and family insurance benefit.

The proportion of beneficiaries in the universe that was included in the sample in each survey was as follows:

| Type of beneficiary             | Philadel-<br>phia and<br>Baltimore | St. Louis | Los Angeles |
|---------------------------------|------------------------------------|-----------|-------------|
| Male primary beneficiary.....   | 31.5                               | 47.7      | 41.3        |
| Female primary beneficiary..... | 33.8                               | 47.6      | 41.7        |
| Widow, child entitled.....      | 41.1                               | 51.7      | 44.1        |

The beneficiaries were visited in their homes by trained personnel of the Bureau of Old-Age and Survivors Insurance. One of the beneficiaries always participated in the interview, and other members of the family who were obviously in receipt of income from some source were frequently questioned. To determine the extent to which relatives provided security for beneficiaries with whom they lived, all persons in the household were included in the study, providing a single housekeeping establishment was maintained jointly.<sup>4</sup>

Information was obtained concerning the living arrangements of the beneficiary group and the relationship to the primary beneficiary or deceased wage earner of all persons in the beneficiary's family; the cash and noncash income of the beneficiary and the income of each member of his family, with reference to its source; the beneficiary-owned assets and debts, and the amount of assets used or of debts incurred for living expenses during the year; and the reason for the beneficiary's retirement, the present state of his health, and the nature of his employment if he had returned to work during the year studied.

Insurantee benefit payments and certain identi-

<sup>4</sup> Relatives were included if rent and operating expenses were shared and when meals were prepared if common cooking facilities were used. The financial arrangements varied from that of relatives who paid board and room on a commercial basis to that of a complete pooling of resources. Thus, if a son and daughter-in-law occupied one bedroom in the home of an aged couple receiving insurance benefits, they were included in the study even though they ate their meals at a restaurant or prepared them in the common kitchen and ate separately from their parents. If, on the other hand, a son and daughter-in-law occupied rooms which were considered a housekeeping unit in themselves and could be designated as an apartment or flat, the couple was not included in the beneficiary's family.

Table 1.—Age at entitlement: Percentage distribution of primary beneficiaries by age at entitlement, four cities

| Age at entitlement              | Male primary beneficiary                   |              |                | Female primary beneficiary                 |              |                |
|---------------------------------|--|--------------|----------------|--|--------------|----------------|
|                                 | Phila-<br>delphia<br>and<br>Balti-<br>more | St.<br>Louis | Los<br>Angeles | Phila-<br>delphia<br>and<br>Balti-<br>more | St.<br>Louis | Los<br>Angeles |
| Total number.....               | 508  | 550          | 758            | 95   | 91           | 186            |
| Total percent.....              | 100.0                                      | 100.0        | 100.0          | 100.0                                      | 100.0        | 100.0          |
| 65.....                         | 55.5                                       | 30.9         | 43.7           | 56.9                                       | 37.4         | 47.3           |
| 66.....                         | 13.6                                       | 18.0         | 19.5           | 15.8                                       | 19.7         | 22.6           |
| 67.....                         | 6.9  | 8.9          | 9.9            | 6.3  | 9.9          | 12.4           |
| 68.....                         | 3.5  | 7.1          | 5.1            | 2.1  | 9.9          | 5.4            |
| 69.....                         | 3.1  | 5.1          | 3.6            | 2.1  | 6.6          | 4.8            |
| 70.....                         | 2.8  | 6.9          | 5.0            | 4.2  | 4.4          | 1.6            |
| 71 and over.....                | 14.6                                       | 23.1         | 13.2           | 12.6                                       | 12.1         | 5.9            |
| Average age at entitlement..... | 67.1                                       | 68.3         | 67.1           | 66.7                                       | 67.2         | 68.4           |

fying data were obtained from each beneficiary's claim record in the Bureau of Old-Age and Survivors Insurance. Whenever possible, facts obtained from the families were verified from official sources. For example, the amount of wages in covered employment reported for each employed member of the family was checked with the wage records in the Bureau of Old-Age and Survivors Insurance, and the amount of income derived from unemployment compensation or public aid was obtained from the respective agencies.

#### Entitlement of Primary Beneficiaries

Primary beneficiaries include persons aged 65 or over who have voluntarily withdrawn from the labor market, those who have lost their jobs and are seeking employment, and those too ill to work. Thus, the benefits are, for some individuals, a pension or retirement pay; for others, who work whenever they can find jobs which they can fill, the benefits are more comparable to unemployment or sickness benefits.

*Age at entitlement.*—The distribution of primary beneficiaries by age at entitlement was influenced by the provisions of the 1939 amendments which affected the operation of the act in 1940. For persons who became entitled in the first half of that year, 6 quarters of covered employment were required for eligibility; for entitlement in the second half, 6 or 7 quarters. Beneficiaries aged 65 or 66<sup>5</sup> at entitlement in 1940 could have obtained

<sup>5</sup> Persons who were 66 and 68 years of age at entitlement and whose 67th and 69th birthdays fell in 1940, after the date of entitlement, earned quarters of coverage in the same period as persons 67 and 69 years of age at entitlement.

their quarters of coverage during the entire period from January 1, 1937, to the date of their entitlement. Those aged 67 or 68<sup>5</sup> could have earned quarters of coverage between January 1, 1937, and the time they attained age 65, and also (under the amended act) after January 1, 1939; and those who were 69 years or older at entitlement could have acquired quarters of coverage only under the amended act, i. e., after January 1, 1939. Thus, the period of time in which the required quarters of coverage could be obtained decreased as age at entitlement increased, and this fact undoubtedly affected adversely the number of older workers who could qualify for benefits in 1940.

Most of the primary beneficiaries, both male and female, were 65 and 66 years of age at entitlement (table 1). The average age for the men was 67.1 years in Philadelphia and Baltimore, and also in Los Angeles, and 68.3 years in St. Louis. The differences were due, to some extent, to the degree to which the January 1940 backlog of entitlements was included in the samples. Married men

with nonentitled wives had a somewhat lower average age at entitlement than married men with entitled wives. Nonmarried men were between these two groups in average age.<sup>6</sup>

**Employment at entitlement.**—A substantial number of the male primary beneficiaries (47 percent in Philadelphia and Baltimore, 64 percent in St. Louis, and 51 percent in Los Angeles) worked in covered employment at the time they became entitled to monthly benefits. About 2 percent were employed in noncovered employment or were self-employed. The rest were unemployed, but only a small proportion (6–13 percent) were unemployed more than a year preceding their entitlement.

Because of the provisions in the law, the extent of possible unemployment between the last covered employment and entitlement depended upon the beneficiary's age at entitlement. Those

<sup>5</sup> In the discussion of the data obtained from the beneficiaries, married men with entitled children have been omitted because of the small number of beneficiary groups included in the samples. This type has been included in the summary of male primary beneficiary groups.

**Table 2.—Reasons for termination of covered employment: Percentage distribution of primary beneficiaries by reason for termination of covered employment prior to entitlement, by age at entitlement, four cities**

| Age at entitlement         | Male primary beneficiary |               |   |        |                        |          |                                 |                       | Female primary beneficiary |                  |   |                  |                        |                  |                                 |                       |
|----------------------------|--------------------------|---------------|---|--------|------------------------|----------|---------------------------------|-----------------------|----------------------------|------------------|---|------------------|------------------------|------------------|---------------------------------|-----------------------|
|                            | Total number             | Total percent | Reason for termination of covered employment prior to entitlement |        |                        |          |                                 |                       | Total number               | Total percent    | Reason for termination of covered employment prior to entitlement |                  |                        |                  |                                 |                       |
|                            |                          |               | Quit job  |        |                        | Lost job |                                 |                       |                            |                  | Quit job  |                  |                        | Lost job         |                                 |                       |
|                            |                          |               | Total   | Health | Other personal reasons | Total    | Retired by company <sup>1</sup> | Other company reasons |                            |                  | Total   | Health           | Other personal reasons | Total            | Retired by company <sup>1</sup> | Other company reasons |
|                            |                          |               |   |        |                        |          |                                 |                       |                            |                  |   |                  |                        |                  |                                 |                       |
| Philadelphia and Baltimore |                          |               |   |        |                        |          |                                 |                       |                            |                  |   |                  |                        |                  |                                 |                       |
| Total.....                 | 508                      | 100.0         | 39.8  | 35.5   | 4.3                    | 60.2     | 16.7                            | 43.5                  | 95                         | 100.0            | 40.0  | 35.8             | 4.2                    | 60.0             | 12.6                            | 47.4                  |
| 65.....                    | 282                      | 100.0         | 38.3  | 34.0   | 4.3                    | 61.7     | 17.4                            | 44.3                  | 54                         | 100.0            | 42.6  | 38.9             | 3.7                    | 57.4             | 5.6                             | 51.8                  |
| 66.....                    | 69                       | 100.0         | 34.8  | 31.9   | 2.9                    | 65.2     | 2.9                             | 62.3                  | 15                         | ( <sup>2</sup> ) | ( <sup>2</sup> )  | ( <sup>2</sup> ) | ( <sup>2</sup> )       | -----            | -----                           | ( <sup>2</sup> )      |
| 67-68.....                 | 53                       | 100.0         | 37.7  | 32.0   | 5.7                    | 62.3     | 11.3                            | 51.0                  | 8                          | ( <sup>2</sup> ) | ( <sup>2</sup> )  | ( <sup>2</sup> ) | -----                  | ( <sup>2</sup> ) | -----                           | ( <sup>2</sup> )      |
| 69 and over.....           | 104                      | 100.0         | 48.1  | 43.3   | 4.8                    | 51.9     | 26.9                            | 25.0                  | 18                         | ( <sup>2</sup> ) | ( <sup>2</sup> )  | ( <sup>2</sup> ) | -----                  | ( <sup>2</sup> ) | ( <sup>2</sup> )                | ( <sup>2</sup> )      |
| St. Louis                  |                          |               |   |        |                        |          |                                 |                       |                            |                  |   |                  |                        |                  |                                 |                       |
| Total.....                 | 550                      | 100.0         | 46.4  | 35.9   | 10.5                   | 53.6     | 9.1                             | 44.5                  | 91                         | 100.0            | 65.9  | 45.0             | 20.9                   | 34.1             | 5.5                             | 28.6                  |
| 65.....                    | 170                      | 100.0         | 41.2  | 28.8   | 12.4                   | 58.8     | 5.9                             | 52.9                  | 34                         | ( <sup>2</sup> ) | ( <sup>2</sup> )  | ( <sup>2</sup> ) | ( <sup>2</sup> )       | ( <sup>2</sup> ) | -----                           | ( <sup>2</sup> )      |
| 66.....                    | 99                       | 100.0         | 44.4  | 31.3   | 13.1                   | 55.6     | 3.0                             | 52.6                  | 18                         | ( <sup>2</sup> ) | ( <sup>2</sup> )  | ( <sup>2</sup> ) | ( <sup>2</sup> )       | ( <sup>2</sup> ) | -----                           | ( <sup>2</sup> )      |
| 67-68.....                 | 88                       | 100.0         | 52.3  | 42.0   | 10.3                   | 47.7     | 5.7                             | 42.0                  | 18                         | ( <sup>2</sup> ) | ( <sup>2</sup> )  | ( <sup>2</sup> ) | ( <sup>2</sup> )       | ( <sup>2</sup> ) | -----                           | ( <sup>2</sup> )      |
| 69 and over.....           | 193                      | 100.0         | 49.2  | 41.4   | 7.8                    | 50.8     | 16.6                            | 34.2                  | 21                         | ( <sup>2</sup> ) | ( <sup>2</sup> )  | ( <sup>2</sup> ) | ( <sup>2</sup> )       | ( <sup>2</sup> ) | ( <sup>2</sup> )                | ( <sup>2</sup> )      |
| Los Angeles                |                          |               |   |        |                        |          |                                 |                       |                            |                  |   |                  |                        |                  |                                 |                       |
| Total.....                 | 758                      | 100.0         | 44.1  | 31.0   | 13.1                   | 55.9     | 8.4                             | 47.5                  | 186                        | 100.0            | 51.6  | 37.6             | 14.0                   | 48.4             | 2.7                             | 45.7                  |
| 65.....                    | 331                      | 100.0         | 39.6  | 26.3   | 13.3                   | 60.4     | 11.8                            | 48.6                  | 88                         | 100.0            | 46.6  | 35.2             | 11.4                   | 53.4             | 4.5                             | 48.9                  |
| 66.....                    | 148                      | 100.0         | 39.2  | 29.1   | 10.1                   | 60.8     | 6.1                             | 54.7                  | 42                         | ( <sup>2</sup> ) | ( <sup>2</sup> )  | ( <sup>2</sup> ) | ( <sup>2</sup> )       | ( <sup>2</sup> ) | -----                           | ( <sup>2</sup> )      |
| 67-68.....                 | 114                      | 100.0         | 37.0  | 37.7   | 19.3                   | 43.0     | 3.5                             | 39.5                  | 33                         | ( <sup>2</sup> ) | ( <sup>2</sup> )  | ( <sup>2</sup> ) | ( <sup>2</sup> )       | ( <sup>2</sup> ) | -----                           | ( <sup>2</sup> )      |
| 69 and over.....           | 165                      | 100.0         | 48.5  | 37.6   | 10.9                   | 51.5     | 7.3                             | 44.2                  | 23                         | ( <sup>2</sup> ) | ( <sup>2</sup> )  | ( <sup>2</sup> ) | ( <sup>2</sup> )       | ( <sup>2</sup> ) | ( <sup>2</sup> )                | ( <sup>2</sup> )      |

<sup>1</sup> Retired with retirement pay. Some beneficiaries who quit their jobs because of their health also received retirement pay.

<sup>2</sup> Not computed because base is too small.



65 and 66 years of age at entitlement could have had approximately 2 years of unemployment between their termination of covered employment and entitlement in 1940 and still have obtained the required number of quarters of coverage, but those aged 69 or over needed almost continuous employment after January 1, 1939, to qualify for benefits. The average number of months elapsing between termination of last covered employment and entitlement, for male and female primary beneficiaries of different ages at entitlement, was as follows:

| Age at entitlement                     | Philadel-<br>phia and<br>Baltimore | St. Louis | Los Angeles |
|--|------------------------------------|-----------|-------------|
| Male primary beneficiary, total.....   | 4.2                                | 2.4       | 3.3         |
| 65.....                                | 5.8                                | 5.2       | 4.8         |
| 66.....                                | 5.8                                | 3.1       | 4.3         |
| 67-68.....                             | 1.3                                | 1.0       | 1.6         |
| 69 and over.....                       | .1                                 | .3        | .6          |
| Female primary beneficiary, total..... | 4.6                                | 3.8       | 4.6         |
| 65.....                                | 7.0                                | 6.3       | 7.0         |
| 66.....                                | 3.6                                | 6.3       | 4.0         |
| 67-68.....                             |                                    | 1.3       | 1.7         |
| 69 and over.....                       | .1                                 |           | .4          |

*Reasons for termination of covered employment.*—The reasons beneficiaries gave for leaving covered employment were varied, but in general they fell into two main groups, depending on whether the termination was initiated by the beneficiary or by his employer (table 2). Termination initiated by the beneficiary was divided into two categories—health and other personal reasons. Retirement initiated by the employer was also subdivided into two categories—laid off with retirement pay and laid off for other company reasons. The explanations for retirement given by the beneficiaries were purely subjective; no attempts were made to check them with employers. In some cases, undoubtedly, the beneficiaries may have misunderstood, or refused to acknowledge, the real causes for their retirement.

Health as a reason for quitting work varied from old age and chronic illnesses—such as heart disease, arthritis, and failing vision—to acute illnesses, such as pneumonia and cancer. If age was the only factor involved, the reason was classified under health or other company reasons, depending on whether the worker resigned because he considered himself too old to work, or whether he was laid off by the employer because he had reached the retirement age of the company or

**Table 3.—Employment status: Percentage distribution of beneficiary groups by employment status of beneficiary during survey year, four cities**

| Type of beneficiary group       | Number of beneficiary groups | Percent of primary beneficiaries and widows |          |           |           |            |                   |                         |
|---------------------------------|------------------------------|---|----------|-----------|-----------|------------|-------------------|-------------------------|
|                                 |                              | Total                                       | Employed |           |           | Unemployed |                   |                         |
|                                 |                              |   | Total    | Full-time | Part-time | Total      | Sought employment | Did not seek employment |
| Philadelphia and Baltimore      |                              |   |          |           |           |            |                   |                         |
| Male primary beneficiary.....   | 508                          | 100.0                                       | 25.4     | 3.3       | 22.1      | 74.6       | 14.0              | 66.6                    |
| Female primary beneficiary..... | 95                           | 100.0                                       | 20.0     | 2.1       | 17.9      | 80.0       | 11.6              | 68.4                    |
| Widow, child entitled.....      | 129                          | 100.0                                       | 27.9     | 9.3       | 18.6      | 72.1       | 5.4               | 66.7                    |
| St. Louis                       |                              |   |          |           |           |            |                   |                         |
| Male primary beneficiary.....   | 550                          | 100.0                                       | 37.6     | 4.4       | 33.2      | 62.4       | 12.7              | 49.7                    |
| Female primary beneficiary..... | 91                           | 100.0                                       | 30.8     | 1.1       | 29.7      | 69.2       | 11.0              | 38.2                    |
| Widow, child entitled.....      | 120                          | 100.0                                       | 47.5     | 11.7      | 35.8      | 52.5       | 5.0               | 47.8                    |
| Los Angeles                     |                              |   |          |           |           |            |                   |                         |
| Male primary beneficiary.....   | 758                          | 100.0                                       | 38.1     | 7.5       | 30.6      | 61.9       | 9.9               | 52.0                    |
| Female primary beneficiary..... | 186                          | 100.0                                       | 33.3     | 5.4       | 27.9      | 66.7       | 5.9               | 60.0                    |
| Widow, child entitled.....      | 134                          | 100.0                                       | 56.0     | 16.4      | 39.6      | 44.0       | 2.2               | 41.8                    |

because the employer considered him too old for the job. Such reasons as "needed a rest," "felt tired," or "considered the work too hard" were also included under health.

Of those who gave other personal reasons, a few left their jobs in order to draw insurance benefits. Others reported that they left to care for a sick member of the family; because of disagreement with their bosses, friction with other workers, or a strike; to accept noncovered employment; or to file for benefits when work was slack. Relatively few men or women gave reasons such as these.

When the termination was initiated by the employer, the reasons most frequently given by both men and women were: "laid off because of age," "retired by employer," "employer thought me too old," "reached retirement age of company," and so forth. In many cases, the health of the worker may have been responsible for the employer's decision to release him, although the beneficiary may have considered himself able to work. In some cases, workers were laid off because of slack work or technological changes; in others, the firm went out of business or was reorganized or merged with another firm, and the aged workers were not kept on by the new employers.

More than half the men were laid off by their

employers, although many in this group would have preferred to continue working. The relative number of women who were laid off from their work varied considerably between the three surveys. Only a small percentage of the men (8-17 percent) and an even smaller percentage of the women (3-13 percent) were retired on company pension. The proportion of beneficiaries reporting involuntary termination of employment with retirement pay is less than the proportion receiving retirement pay, as those who quit because of poor health and who received retirement pay were classified as quitting because of their health.

*Reemployment after entitlement.*—Employment of primary beneficiaries after entitlement depended on whether they were able to work and wished to do so, and whether they could find employment. The proportion who considered themselves able to work at the time of the interview was as follows:

| Beneficiary's opinion as to his ability to work <sup>1</sup> | Philadelphia and Baltimore | St. Louis | Los Angeles |
|--|----------------------------|-----------|-------------|
| Male primary beneficiary, total.....                         | 100.0                      | 100.0     | 100.0       |
| Able to work, unqualified.....                               | 34.6                       | 36.7      | 40.2        |
| Able to work, qualified.....                                 | 10.4                       | 22.9      | 19.0        |
| Unable to work.....  | 55.0                       | 40.4      | 40.8        |
| Female primary beneficiary, total.....                       | 100.0                      | 100.0     | 100.0       |
| Able to work, unqualified.....                               | 26.3                       | 19.8      | 30.6        |
| Able to work, qualified.....                                 | 6.3                        | 26.4      | 13.4        |
| Unable to work.....  | 67.4                       | 53.8      | 56.0        |

<sup>1</sup> If a beneficiary specified "light work," "part-time work," etc., because of his physical condition, he has been classified as "able to work, qualified."

From one-fourth to two-fifths of the male primary beneficiaries were employed during the survey year (table 3), but most of them worked only part-time, i. e., they had full-time jobs for part of the year or part-time jobs for part or all of the year. Employment was classified as full-time if the beneficiary worked at least 35 hours a week, 11 months of the year. In each survey, more of the male primary beneficiaries were working in covered employment (16-24 percent) than in noncovered employment (10-20 percent). Many of the women primary beneficiaries were working in their homes, keeping boarders and roomers. Only 13 of the 372 women in all three surveys reported full-time employment during the year.

Obviously, employment is closely associated with health and age; 44-60 percent of the male

primary beneficiaries in the three surveys who signified their ability to work were employed during the survey year, in contrast to 13-15 percent of those who stated their health was too poor for them to work. From 26 to 51 percent of the men aged 65 at entitlement, but only 10-29 percent of those 69 years and over, had jobs during the survey year.

Health and age also determined the extent of employment; the proportion of men reporting full-time work was greatest for those 65 years of age (5-9 percent) and for those indicating their ability to hold a job (6-15 percent), and least for men 69 years and over and for those who felt they were unable to hold a job (1-2 percent for each group). Relatively fewer men with entitled wives (21-32 percent) than men with nonentitled wives (27-46 percent) reported either full or part-time employment during the year. The men with entitled wives were, on the average, several years older than the men with nonentitled wives; only 30-39 percent of the former group reported unqualifiedly their ability to hold a job, in contrast to 35-47 percent of the men with nonentitled wives. Moreover, the necessity of working was greater for men with nonentitled wives than for men with entitled wives, as fewer of the former group had adequate incomes which were derived entirely from permanent sources.

Four-fifths or more of both men and women who had no employment during the survey year made no effort to get work. Here again the health and age of the beneficiary were undoubtedly factors. Of the men who were able to hold a job and were unemployed, 35-43 percent tried to get work, but only 2-5 percent of those who reported themselves unable to work and unemployed looked for jobs. Between 18 and 26 percent of the men aged 65 who were unemployed the entire year, but only 9-14 percent of those 69 years or over, reported attempts to find work.

Six months elapsed between the surveys in Philadelphia and Baltimore and the St. Louis survey, and a year between the Philadelphia and Baltimore and the Los Angeles surveys. During this time, Pearl Harbor was attacked and war industries were greatly expanded. The increase in employment opportunities is reflected in the higher proportion of both primary beneficiaries and widows with entitled children who reported employment in St. Louis as compared with Phila-

delphia and Baltimore, and in Los Angeles as compared with St. Louis. The greatest increase in employment occurred among the widows, of whom 28 percent reported employment in Phila-

delphia and Baltimore, 48 percent in St. Louis, and 56 percent in Los Angeles.

### Living Arrangements and Family Composition

The living arrangements of beneficiary groups living alone as a group and living with others are given in table 4. A beneficiary, or beneficiary group, living alone was considered to be keeping house if cooking facilities were available and used. Thus, a nonmarried man living in a furnished room who did his own cooking was classified as keeping house in a rented home. Relatives in the family were considered to be living with the beneficiary or beneficiary group whenever title to the house was in the name of a beneficiary or,

**Table 4.—Living arrangement: Percentage distribution of specified types of beneficiary groups<sup>1</sup> by type of living arrangement at end of the survey year, four cities**

| Type of living arrangement                          | Male primary beneficiary |            |                        |                            | Female primary beneficiary | Widow, child entitled |
|---|--------------------------|------------|------------------------|----------------------------|----------------------------|-----------------------|
|   | Total                    | Nonmarried | Married, wife entitled | Married, wife not entitled |                            |                       |
| Philadelphia and Baltimore                          |                          |            |                        |                            |                            |                       |
| Total number.....                                   | 1 508                    | 153        | 163                    | 179                        | 95                         | 129                   |
| Total percent.....                                  | 100.0                    | 100.0      | 100.0                  | 100.0                      | 100.0                      | 100.0                 |
| Living alone, total.....                            | 45.1                     | 41.8       | 48.4                   | 45.2                       | 34.7                       | 35.6                  |
| Keeping house, total.....                           | 35.5                     | 9.7        | 48.4                   | 45.2                       | 22.0                       | 34.0                  |
| Home owned.....                                     | 22.7                     | 5.8        | 34.9                   | 26.3                       | 9.5                        | 11.5                  |
| Home rented.....                                    | 12.8                     | 3.9        | 13.5                   | 18.9                       | 12.5                       | 22.5                  |
| Rooming and boarding.....                           | 9.6                      | 32.1       |                        |                            | 11.6                       | 1.6                   |
| All others.....                                     |                          |            |                        |                            | 1.1                        |                       |
| Living with others, total.....                      | 54.9                     | 58.2       | 51.6                   | 54.8                       | 65.3                       | 64.4                  |
| Relatives living with beneficiary group, total..... | 42.3                     | 32.1       | 41.8                   | 50.3                       | 38.0                       | 44.3                  |
| Home owned by beneficiary group.....                | 30.3                     | 24.3       | 30.7                   | 35.2                       | 25.2                       | 28.8                  |
| Home rented by beneficiary group.....               | 12.0                     | 7.8        | 11.1                   | 15.1                       | 12.8                       | 15.5                  |
| Rooming and boarding.....                           |                          |            |                        |                            |                            |                       |
| Beneficiary group living with relatives.....        | 12.6                     | 26.1       | 9.8                    | 4.5                        | 27.3                       | 20.1                  |
| St. Louis   |                          |            |                        |                            |                            |                       |
| Total number.....                                   | 1 550                    | 150        | 180                    | 197                        | 91                         | 120                   |
| Total percent.....                                  | 100.0                    | 100.0      | 100.0                  | 100.0                      | 100.0                      | 100.0                 |
| Living alone, total.....                            | 55.5                     | 64.6       | 57.2                   | 57.9                       | 39.5                       | 43.3                  |
| Keeping house, total.....                           | 45.5                     | 20.6       | 56.6                   | 56.4                       | 30.7                       | 42.5                  |
| Home owned.....                                     | 21.8                     | 3.2        | 30.0                   | 30.5                       | 3.3                        | 15.0                  |
| Home rented.....                                    | 23.7                     | 17.4       | 26.6                   | 25.9                       | 27.4                       | 27.5                  |
| Rooming and boarding.....                           | 9.8                      | 33.3       | .6                     | 1.5                        | 5.5                        | .8                    |
| All other.....                                      | .2                       | .7         |                        |                            | 3.3                        |                       |
| Living with others, total.....                      | 44.5                     | 45.4       | 42.8                   | 42.1                       | 60.5                       | 56.7                  |
| Relatives living with beneficiary group, total..... | 32.0                     | 20.1       | 31.7                   | 37.0                       | 31.9                       | 41.7                  |
| Home owned by beneficiary group.....                | 20.9                     | 14.1       | 22.2                   | 20.8                       | 6.6                        | 19.2                  |
| Home rented by beneficiary group.....               | 11.1                     | 6.0        | 9.5                    | 16.2                       | 25.3                       | 22.5                  |
| Rooming and boarding.....                           |                          |            |                        |                            |                            |                       |
| Beneficiary group living with relatives.....        | 12.5                     | 25.3       | 11.1                   | 5.1                        | 28.6                       | 15.0                  |
| Los Angeles   |                          |            |                        |                            |                            |                       |
| Total number.....                                   | 1 758                    | 203        | 216                    | 323                        | 186                        | 134                   |
| Total percent.....                                  | 100.0                    | 100.0      | 100.0                  | 100.0                      | 100.0                      | 100.0                 |
| Living alone, total.....                            | 69.9                     | 69.5       | 75.9                   | 66.9                       | 71.0                       | 54.5                  |
| Keeping house, total.....                           | 61.2                     | 38.9       | 75.0                   | 66.3                       | 60.8                       | 51.6                  |
| Home owned.....                                     | 33.4                     | 9.3        | 47.8                   | 38.4                       | 20.4                       | 28.5                  |
| Home rented.....                                    | 27.8                     | 29.6       | 27.2                   | 27.9                       | 40.4                       | 23.1                  |
| Rooming and boarding.....                           | 8.4                      | 29.6       | .9                     | .6                         | 7.5                        | 2.2                   |
| All others.....                                     | .3                       | 1.0        |                        |                            | 2.7                        | .7                    |
| Living with others, total.....                      | 30.1                     | 30.5       | 24.1                   | 33.1                       | 29.0                       | 45.5                  |
| Relatives living with beneficiary group, total..... | 22.4                     | 15.7       | 19.4                   | 27.5                       | 16.1                       | 35.0                  |
| Home owned by beneficiary group.....                | 14.9                     | 11.4       | 14.7                   | 16.7                       | 3.8                        | 18.5                  |
| Home rented by beneficiary group.....               | 7.4                      | 3.9        | 4.7                    | 10.8                       | 12.3                       | 16.5                  |
| Rooming and boarding.....                           | .1                       | .4         |                        |                            |                            |                       |
| Beneficiary group living with relatives.....        | 7.7                      | 14.8       | 4.7                    | 5.6                        | 12.9                       | 10.5                  |

<sup>1</sup> The groups of married male primary beneficiaries, with child entitled, were too small for computation of percentage distributions. These groups, numbering 13 in Philadelphia and Baltimore, 23 in St. Louis, and 16 in Los Angeles, are included in the totals.

**Table 5.—Relationship of other household members: Percentage distribution of specified types of beneficiary groups<sup>1</sup> by relationship<sup>2</sup> of other household members, four cities**

| Relationship <sup>2</sup> of other household members             | Male primary beneficiary |             |                        |                            | Female primary beneficiary | Widow, child entitled |
|--|--------------------------|-------------|------------------------|----------------------------|----------------------------|-----------------------|
|  | Total                    | Non-married | Married, wife entitled | Married, wife not entitled |                            |                       |
| Philadelphia and Baltimore                                       |                          |             |                        |                            |                            |                       |
| Total.....   | 100.0                    | 100.0       | 100.0                  | 100.0                      | 100.0                      | 100.0                 |
| No other members of household.....                               | 45.1                     | 41.8        | 48.4                   | 45.2                       | 34.7                       | 35.6                  |
| Married children, grandchildren, and/or great grandchildren..... | 13.4                     | 18.3        | 16.0                   | 7.8                        | 17.9                       | 4.7                   |
| Nonmarried children age 18 and over.....                         | 22.2                     | 14.4        | 22.7                   | 26.8                       | 11.6                       | 26.3                  |
| Parents and grandparents.....                                    | .4                       |             | .6                     | .6                         |                            | 13.2                  |
| Brothers and sisters.....  | 5.7                      | 11.1        | 3.7                    | 3.4                        | 24.2                       | 6.2                   |
| All others.....  | 13.2                     | 14.4        | 8.6                    | 16.2                       | 11.6                       | 14.0                  |
| St. Louis  |                          |             |                        |                            |                            |                       |
| Total.....   | 100.0                    | 100.0       | 100.0                  | 100.0                      | 100.0                      | 100.0                 |
| No other members of household.....                               | 55.5                     | 54.6        | 57.2                   | 57.9                       | 39.5                       | 43.3                  |
| Married children, grandchildren, and/or great grandchildren..... | 13.8                     | 20.7        | 12.8                   | 9.6                        | 14.3                       | .8                    |
| Nonmarried children age 18 and over.....                         | 21.6                     | 11.3        | 24.4                   | 23.4                       | 14.3                       | 26.7                  |
| Parents and grandparents.....                                    | .2                       |             |                        | .5                         |                            | 12.5                  |
| Brothers and sisters.....  | 2.9                      | 6.7         |                        | 3.0                        | 22.0                       | 6.7                   |
| All others.....  | 6.0                      | 6.7         | 5.6                    | 5.6                        | 9.9                        | 10.0                  |
| Los Angeles  |                          |             |                        |                            |                            |                       |
| Total.....   | 100.0                    | 100.0       | 100.0                  | 100.0                      | 100.0                      | 100.0                 |
| No other members of household.....                               | 69.9                     | 69.5        | 75.9                   | 66.9                       | 71.0                       | 54.5                  |
| Married children, grandchildren, and/or great grandchildren..... | 6.5                      | 10.3        | 4.6                    | 5.6                        | 4.8                        | 2.2                   |
| Nonmarried children age 18 and over.....                         | 14.5                     | 7.9         | 13.5                   | 18.5                       | 7.5                        | 18.7                  |
| Parents and grandparents.....                                    | .8                       |             |                        | 1.9                        |                            | 10.4                  |
| Brothers and sisters.....  | 3.2                      | 4.4         | 2.8                    | 2.5                        | 11.3                       | 1.5                   |
| All others.....  | 5.1                      | 7.9         | 3.2                    | 4.6                        | 5.4                        | 12.7                  |

<sup>1</sup> The groups of married male primary beneficiaries, with child entitled, were too small for computation of percentage distributions.

<sup>2</sup> Relationship to primary beneficiary or, in survivor claims, to deceased wage earner. Groups are mutually exclusive.



when the house was rented, if the housekeeping funds were handled by the mother or father and that person made the major decisions concerning household expenditures. If the house was owned by one of the relatives, or the funds for the common household expenditures were handled by a son or daughter, the beneficiary group was classified as living with relatives.

Of those living alone, the modal group of married couples in each survey lived in a home which they owned; the modal group of nonmarried men roomed and boarded, although in Los Angeles an equally large proportion were living in rented rooms in which they prepared their meals. In each survey, the largest group of female primary beneficiaries living alone lived in rented dwellings. The largest group of widows with entitled children in Philadelphia and Baltimore and in St. Louis lived in rented dwellings; in Los Angeles, in homes which they owned.

The modal group of married men living in larger family groups was living in homes which they owned. This arrangement was also found for widows with entitled children in Philadelphia and Baltimore and in Los Angeles. In St. Louis, the modal group lived in homes which they rented. The majority of both nonmarried men and female primary beneficiaries who lived in larger family groups lived in the homes of relatives.

The extent to which homes owned by beneficiary groups were mortgaged was as follows:

| Type of beneficiary group                    | Percent with owned home    |                  |               |           |                  |               |             |                  |               |
|--|----------------------------|------------------|---------------|-----------|------------------|---------------|-------------|------------------|---------------|
|  | Philadelphia and Baltimore |                  |               | St. Louis |                  |               | Los Angeles |                  |               |
|  | Total                      | Without mortgage | With mortgage | Total     | Without mortgage | With mortgage | Total       | Without mortgage | With mortgage |
| Male primary beneficiary, total <sup>1</sup> | 53.0                       | 26.8             | 26.2          | 42.7      | 28.5             | 14.2          | 48.3        | 31.4             | 16.9          |
| Nonmarried                                   | 30.1                       | 19.6             | 10.5          | 17.3      | 14.0             | 3.3           | 20.7        | 14.3             | 6.4           |
| Married, wife entitled                       | 65.6                       | 32.5             | 33.1          | 52.2      | 38.3             | 13.9          | 62.5        | 40.7             | 21.8          |
| Married, wife not entitled                   | 61.5                       | 27.9             | 33.6          | 51.3      | 30.0             | 21.3          | 55.1        | 36.2             | 18.9          |
| Female primary beneficiary                   | 34.7                       | 11.6             | 23.1          | 9.9       | 6.6              | 3.3           | 24.2        | 15.6             | 8.6           |
| Widow, child entitled                        | 40.3                       | 15.5             | 24.8          | 34.2      | 10.8             | 23.4          | 47.0        | 27.6             | 19.4          |

<sup>1</sup> The groups of married male primary beneficiaries, with child entitled, were too small for computation of percentage distributions.

The families consisting of beneficiaries and other persons have been classified into six categories (table 5), according to the relationship of other

family members to the primary beneficiary or deceased wage earner and with regard to responsibility for the maintenance of the household. The groups are mutually exclusive. If a family included more than one group—for example, a married son and his family and unmarried daughter—it was classified in "all others." The category "nonmarried children age 18 and over" includes those who were widowed, divorced, or separated.

The nonmarried men who lived with relatives lived more frequently with married than with nonmarried children or with other relatives. The married beneficiaries, however, usually had adult nonmarried rather than married sons and daughters living with them. Female primary beneficiaries lived more often with their brothers and sisters than with other relatives. Widows with entitled children had adult, nonmarried sons and daughters in their homes more frequently than other relatives, although a significant number of the widows were living with their parents.

#### Income of Beneficiaries

The amount and source of income received during the survey year by beneficiaries of old-age and survivors insurance varied among beneficiary groups as well as within each group. Except for the nonmarried men, the income shown in tables 6 and 7 refers to the income of the entire beneficiary group, including that of wives, husbands, or nonmarried children under age 18, whether or not the latter were entitled to insurance benefits.

About two-thirds of the nonmarried men in each of the cities had incomes of less than \$600. About 25 percent had less than \$300 in Philadelphia and Baltimore and in St. Louis; in Los Angeles, however, largely because of California's more liberal old-age assistance payments, only 9 percent reported incomes below \$300. In each survey, the range of income of married men with nonentitled wives was greater than that of men with entitled wives. Relatively more of the former than of the latter group had incomes of less than \$300, or of \$900 or more. Each beneficiary group had a larger proportion in the upper income brackets in Los Angeles than in the other two surveys.

The income of the beneficiary groups who lived by themselves was slightly higher than that of the beneficiary groups who lived with relatives, although there were beneficiary groups at all income

levels living alone and living with others. With minor exceptions, a larger proportion of both aged and survivor beneficiary groups in the three surveys fell in the income class of less than \$600 when they lived with relatives than when they lived by themselves. This was particularly true when their incomes were less than \$300. On the other hand, a larger proportion of beneficiaries had incomes of \$600-1,199 when they lived by them-

selves. After their income had reached \$1,200, living arrangements appeared to be little affected, although a slightly larger proportion of most beneficiary groups living by themselves fell in this income class.

The difference in income between those living by themselves and those living with relatives was least marked in the case of nonmarried men. With the exception of incomes of less than \$300, income

Table 6.—Sources of income: Percentage distribution of specified types of beneficiary groups<sup>1</sup> by annual income during survey year and by source<sup>2</sup> of income, four cities

| Type of beneficiary group and annual income during survey year | Philadelphia and Baltimore |                        |                                     |  |   | St. Louis |                        |                                     |  |   | Los Angeles |                        |                                     |  |   |
|--|----------------------------|------------------------|-------------------------------------|--|---|-----------|------------------------|-------------------------------------|--|---|-------------|------------------------|-------------------------------------|--|---|
|  | Total                      | Insurance benefit only | Additional income from <sup>1</sup> |  |   | Total     | Insurance benefit only | Additional income from <sup>1</sup> |  |   | Total       | Insurance benefit only | Additional income from <sup>1</sup> |  |   |
|  |                            |                        | Permanent source only               | Permanent and temporary and/or supplementary sources | Temporary and/or supplementary sources only |           |                        | Permanent source only               | Permanent and temporary and/or supplementary sources | Temporary and/or supplementary sources only |             |                        | Permanent source only               | Permanent and temporary and/or supplementary sources | Temporary and/or supplementary sources only |
| Male primary beneficiary, total                                | 100.0                      | 13.2                   | 29.3                                | 24.2   | 33.3  | 100.0     | 13.7                   | 30.4                                | 21.9   | 34.0  | 100.0       | 3.8                    | 24.4                                | 31.4   | 40.4  |
| Less than \$300  | 14.4                       | 7.9                    | 3.0                                 | .2   | 3.3   | 9.8       | 5.8                    | .5                                  | .2   | 3.3   | 4.0         | 2.0                    | .5                                  | .4   | 1.1   |
| 300-599  | 35.8                       | 5.3                    | 7.7                                 | 6.9  | 15.9  | 38.8      | 7.5                    | 10.4                                | 4.7  | 16.2  | 29.9        | 1.7                    | 5.9                                 | 6.6  | 15.7  |
| 600-899  | 22.3                       |                        | 7.7                                 | 7.9  | 6.7   | 20.5      | .4                     | 8.7                                 | 4.7  | 6.7   | 22.3        | .1                     | 6.4                                 | 5.5  | 10.3  |
| 900-1,199  | 13.0                       |                        | 4.9                                 | 4.5  | 3.6   | 10.4      |                        | 3.7                                 | 2.9  | 3.8   | 17.7        |                        | 3.6                                 | 5.9  | 8.2   |
| 1,200-1,499  | 6.3                        |                        | 2.7                                 | 1.4  | 2.2   | 7.5       |                        | 2.5                                 | 2.5  | 2.5   | 9.5         |                        | 2.8                                 | 4.5  | 2.2   |
| 1,500 and over   | 8.2                        |                        | 3.3                                 | 3.3  | 1.6   | 13.0      |                        | 4.6                                 | 6.9  | 1.5   | 16.6        |                        | 5.2                                 | 8.5  | 2.9   |
| Nonmarried, total  | 100.0                      | 17.0                   | 26.8                                | 20.9   | 35.3  | 100.0     | 18.0                   | 31.3                                | 12.1   | 38.6  | 100.0       | 4.4                    | 22.2                                | 21.2   | 52.2  |
| Less than \$300  | 25.6                       | 13.1                   | 5.9                                 | .7   | 5.9   | 24.7      | 12.7                   | .7                                  | .7   | 10.6  | 9.3         | 2.9                    | 1.5                                 | 1.5  | 3.4   |
| 300-599  | 39.8                       | 3.9                    | 8.5                                 | 6.5  | 20.9  | 44.0      | 5.3                    | 17.3                                | 2.0  | 19.4  | 58.1        | 1.5                    | 11.9                                | 10.3   | 34.4  |
| 600-899  | 16.3                       |                        | 6.5                                 | 5.9  | 3.9   | 13.3      |                        | 6.0                                 | 2.7  | 4.6   | 16.7        |                        | 3.9                                 | 3.4  | 9.4   |
| 900-1,199  | 9.7                        |                        | 3.2                                 | 5.2  | 1.3   | 6.7       |                        | 2.0                                 | 2.7  | 2.0   | 8.4         |                        | 2.4                                 | 3.0  | 3.0   |
| 1,200-1,499  | 2.0                        |                        | .7                                  |  | 1.3   | 4.0       |                        | 2.0                                 | 1.3  | .7  | 3.5         |                        | 2.0                                 | 1.5  |   |
| 1,500 and over   | 6.6                        |                        | 2.0                                 | 2.6  | 2.0   | 7.3       |                        | 3.3                                 | 2.7  | 1.3   | 4.0         |                        | .5                                  | 1.5  | 2.0   |
| Married, wife entitled, total                                  | 100.0                      | 12.9                   | 34.3                                | 25.2   | 27.6  | 100.0     | 17.2                   | 38.9                                | 21.1   | 22.8  | 100.0       | 2.8                    | 29.1                                | 33.8   | 34.3  |
| Less than \$300  | 1.8                        | 1.2                    | .6                                  |  |   | .6        | .6                     |                                     |  |   | .5          | .5                     |                                     |  |   |
| 300-599  | 41.7                       | 11.7                   | 9.1                                 | 7.4  | 13.5  | 42.2      | 15.5                   | 12.8                                | 3.9  | 10.0  | 15.7        | 1.8                    | 3.2                                 | 6.0  | 4.7   |
| 600-899  | 29.4                       |                        | 9.8                                 | 10.4   | 9.2   | 27.2      | 1.1                    | 14.4                                | 5.0  | 6.7   | 26.9        | .5                     | 9.7                                 | 7.4  | 9.3   |
| 900-1,199  | 11.7                       |                        | 6.8                                 | 3.7  | 1.2   | 11.1      |                        | 3.9                                 | 3.3  | 3.9   | 29.1        |                        | 6.5                                 | 6.9  | 15.7  |
| 1,200-1,499  | 8.6                        |                        | 4.9                                 | .6   | 3.1   | 6.7       |                        | 2.8                                 | 2.8  | 1.1   | 11.1        |                        | 2.3                                 | 5.6  | 3.2   |
| 1,500 and over   | 6.8                        |                        | 3.1                                 | 3.1  | .6  | 12.2      |                        | 5.0                                 | 6.1  | 1.1   | 16.7        |                        | 7.4                                 | 7.9  | 1.4   |
| Married, wife not entitled, total                              | 100.0                      | 11.2                   | 27.8                                | 26.9   | 34.1  | 100.0     | 8.1                    | 23.9                                | 28.4   | 39.6  | 100.0       | 4.0                    | 23.8                                | 35.9   | 36.3  |
| Less than \$300  | 17.3                       | 10.1                   | 2.7                                 |  | 4.5   | 8.1       | 6.1                    | 1.0                                 |  | 1.0   | 3.1         | 2.5                    | .3                                  |  | .3  |
| 300-599  | 28.5                       | 1.1                    | 6.1                                 | 7.3  | 14.0  | 34.5      | 2.0                    | 4.1                                 | 7.1  | 21.3  | 22.0        | 1.5                    | 4.3                                 | 5.0  | 11.2  |
| 600-899  | 21.2                       |                        | 7.3                                 | 7.8  | 6.1   | 18.3      |                        | 6.1                                 | 5.1  | 7.1   | 23.3        |                        | 6.2                                 | 5.6  | 11.5  |
| 900-1,199  | 14.5                       |                        | 4.5                                 | 3.9  | 6.1   | 11.2      |                        | 4.6                                 | 2.5  | 4.1   | 15.8        |                        | 2.5                                 | 5.6  | 6.5   |
| 1,200-1,499  | 7.3                        |                        | 2.2                                 | 3.4  | 1.7   | 9.6       |                        | 3.0                                 | 2.5  | 4.1   | 11.8        |                        | 3.7                                 | 5.6  | 2.3   |
| 1,500 and over   | 11.2                       |                        | 5.0                                 | 4.5  | 1.7   | 18.3      |                        | 5.1                                 | 11.2   | 2.0   | 24.0        |                        | 6.8                                 | 12.9   | 4.3   |
| Female primary beneficiary, Total                              | 100.0                      | 15.8                   | 25.2                                | 26.4   | 32.6  | 100.0     | 19.8                   | 27.5                                | 23.1   | 29.6  | 100.0       | 5.4                    | 25.2                                | 29.6   | 39.8  |
| Less than \$300  | 37.9                       | 15.8                   | 12.6                                | 3.2  | 6.3   | 35.2      | 19.8                   | 7.7                                 | 2.2  | 5.5   | 11.8        | 4.9                    | 6.4                                 | .5   |   |
| 300-599  | 41.0                       |                        | 9.4                                 | 11.6   | 20.0  | 51.6      |                        | 16.5                                | 15.4   | 19.7  | 41.4        | .5                     | 9.1                                 | 10.3   | 21.1  |
| 600-899  | 11.6                       |                        | 3.2                                 | 6.3  | 2.1   | 7.7       |                        | 3.3                                 | 3.3  | 1.1   | 19.4        |                        | 5.4                                 | 4.9  | 9.1   |
| 900-1,199  | 5.3                        |                        |                                     | 3.2  | 2.1   | 2.2       |                        |                                     |  | 2.2   | 16.1        |                        | 2.7                                 | 8.0  | 5.4   |
| 1,200-1,499  |                            |                        |                                     |  | 1.1   |           |                        |                                     | 1.1  |   | 4.3         |                        |                                     | 3.2  | 1.1   |
| 1,500 and over   | 4.2                        |                        |                                     | 2.1  | 2.1   | 2.2       |                        |                                     | 1.1  | 1.1   | 7.0         |                        | 1.6                                 | 2.7  | 2.7   |
| Widow, child entitled, total                                   | 100.0                      | 14.7                   | 24.8                                | 24.2   | 36.3  | 100.0     | 11.7                   | 19.1                                | 18.3   | 50.9  | 100.0       | 8.2                    | 12.6                                | 38.2   | 41.0  |
| Less than \$300  | .8                         | .8                     |                                     |  |   | 2.4       | .8                     | .8                                  |  | .8  | 1.5         | 1.5                    |                                     |  |   |
| 300-599  | 39.6                       | 10.1                   | 12.4                                | 4.7  | 12.4  | 29.2      | 8.4                    | 6.7                                 | .8   | 13.3  | 14.2        | 3.0                    | 3.0                                 | 1.5  | 6.7   |
| 600-899  | 28.6                       | 3.8                    | 6.2                                 | 7.1  | 11.5  | 27.5      | 2.5                    | 5.0                                 | 5.8  | 14.2  | 20.8        | 3.7                    | 2.2                                 | 6.7  | 8.2   |
| 900-1,199  | 19.3                       |                        | 5.4                                 | 5.4  | 8.5   | 15.8      |                        | .8                                  | 3.3  | 11.7  | 19.5        |                        | 3.0                                 | 6.0  | 10.5  |
| 1,200-1,499  | 4.6                        |                        |                                     | 2.3  | 2.3   | 13.4      |                        | 3.3                                 | 1.7  | 8.4   | 13.4        |                        | 2.2                                 | 9.0  | 2.2   |
| 1,500 and over   | 7.1                        |                        | .8                                  | 4.7  | 1.6   | 11.7      |                        | 2.5                                 | 6.7  | 2.5   | 30.6        |                        | 2.2                                 | 15.0   | 13.4  |

<sup>1</sup> The groups of married male primary beneficiaries, with child entitled, were too small for computation of percentage distributions.

<sup>2</sup> Sources of additional income are classified as follows: Permanent—retirement pay, private annuity payments, veterans' pensions, income from assets;

temporary—earnings in employment, unemployment compensation, private insurance benefit (such as sickness, accident, death, unemployment), and miscellaneous; supplementary—relief payments, earnings under WPA, NYA, and CCC programs, and gifts from relative or friend outside household.



appeared to influence only slightly the living arrangements of nonmarried men, as about the same proportion living alone as living with relatives fell in each income class. When their income was less than \$300 the nonmarried men, as well as other types of beneficiaries, lived with relatives much more frequently than when their income was higher.

The sources of income are significant since, in conjunction with expendable assets as well as with living arrangements, they indicate the future economic status of the beneficiary groups. The sources of income have been grouped according to their relative permanency in table 6.

"Reasonably permanent" sources are those which will probably continue throughout the beneficiary's lifetime. They include the old-age and survivors insurance benefit, private retirement pay, veteran's pension, private annuity, and income from assets. The insurance benefit is received monthly unless suspended because of wages of \$15 or more per month from covered employment. Some corporations grant retirement pay, or "industrial pensions," to their retired employees; the amount usually depends on prior earnings and length of service. Many companies have reduced their former retirement payments by the amount of the old-age and survivors insurance benefit and some by half that amount; a few have made no adjustments. Some beneficiaries received income as veterans or the survivors of veterans, and some received income from trust funds or annuities which they had purchased. Income from assets included net income from real estate, interest on savings bank deposits, bonds, mortgages and other loans, dividends on stock, and other yields on capital goods.

"Probably temporary" sources of income include earnings from covered and noncovered employment, unemployment compensation, certain types of private insurance benefits, and miscellaneous income. Employment, either covered or noncovered, provides a temporary source of income to a limited number of primary beneficiaries. Because of ill health, many beneficiaries are permanently out of the labor market; others, who are successful in getting jobs, will probably work only a few years before ill health, or a depression, forces their permanent retirement. Unemployment compensation is paid on the basis of earnings in covered employment, either before or after entitlement,

Table 7.—Median income of beneficiary groups, four cities

| Type of beneficiary group            | Median income of beneficiary group |           |             |
|--------------------------------------|------------------------------------|-----------|-------------|
|                                      | Philadel-<br>phia and<br>Baltimore | St. Louis | Los Angeles |
| Male primary beneficiary, total..... | \$599                              | \$610     | \$814       |
| Nonmarried.....                      | 446                                | 404       | 484         |
| Married, wife entitled.....          | 660                                | 636       | 965         |
| Married, wife not entitled.....      | 650                                | 697       | 921         |
| Married, child entitled.....         | 1,027                              | 966       | 1,062       |
| Female primary beneficiary.....      | 390                                | 390       | 553         |
| Widow, child entitled.....           | 737                                | 777       | 1,109       |

and, in the four cities surveyed, it could be received at the same time as old-age and survivors insurance. Payments of disability insurance and death benefits, payable for a limited number of years, and the balance of lump-sum death payments after burial expenses were deducted, private accident insurance, and workmen's compensation are included under private insurance.<sup>7</sup>

A few beneficiaries had "supplementary" income, to help out their own inadequate resources. Supplementary income was of two kinds: gifts from relatives or friends outside the family, and relief from public and private agencies. Gifts included payments which were sporadic, consisting of a few dollars to meet specific needs; or they were regular contributions or assumptions of certain bills, such as taxes or interest payments on the home which the beneficiary owned. Public relief included work relief—WPA, NYA, and CCC—and the value of food and cotton stamps, as well as cash grants.

The distribution of beneficiary groups according to family insurance benefit is remarkably similar in the three surveys (table 8). The insurance benefit awarded nonmarried men, men with nonentitled wives, and women entitled on their own wage record, could range in 1940 from \$10 to \$41.60. The modal group of nonmarried men and men with nonentitled wives in each survey was awarded monthly benefits of \$20–29. The modal group of female primary beneficiaries in Los Angeles also fell in this class; in Philadelphia and Baltimore and in St. Louis benefits were somewhat lower in amount and the modal group fell in the class \$10–19. The family benefit awarded men whose wives were entitled could range from \$10 to \$62.40.

<sup>7</sup> Most of the lump-sum death payments received by widows on policies matured by the death of husbands were received before the beginning of the survey year. In the few instances in which they were paid during the survey year, they are not included as income.



The modal group in each survey received monthly benefits of \$30-39. Benefits awarded widows with entitled children could range from \$10 to \$83.20. Because their family insurance benefits depended upon the number of entitled children as well as the average wage of the deceased wage earner, the distribution of widows with entitled children was fairly even in the income classes of

**Table 8.—Monthly family insurance benefit awarded: Percentage distribution of specified types of beneficiary groups,<sup>1</sup> and average annual insurance benefit received, four cities**

| Type of beneficiary group and monthly family insurance benefit awarded | Percentage distribution            |           |             |
|--|------------------------------------|-----------|-------------|
|  | Philadel-<br>phia and<br>Baltimore | St. Louis | Los Angeles |
| Male primary beneficiary <sup>1</sup> total.....                       | 100.0                              | 100.0     | 100.0       |
| \$10.00-19.99.....   | 19.5                               | 19.5      | 22.4        |
| 20.00-29.99.....   | 43.1                               | 39.2      | 42.1        |
| 30.00-39.99.....   | 26.6                               | 28.4      | 23.0        |
| 40.00-62.40.....   | 10.8                               | 12.9      | 12.5        |
| Nonmarried, total.....   | 100.0                              | 100.0     | 100.0       |
| \$10.00-19.99.....   | 31.4                               | 33.3      | 35.5        |
| 20.00-29.99.....   | 61.4                               | 54.7      | 54.6        |
| 30.00-39.99.....   | 6.5                                | 10.0      | 8.4         |
| 40.00-41.00.....   | .7                                 | 2.0       | 1.5         |
| Married, wife entitled, total.....                                     | 100.0                              | 100.0     | 100.0       |
| \$10.00-19.99.....   | 6.1                                | 4.4       | 7.4         |
| 20.00-29.99.....   | 9.8                                | 8.9       | 11.1        |
| 30.00-39.99.....   | 57.7                               | 56.1      | 48.6        |
| 40.00-62.40.....   | 26.4                               | 30.6      | 32.9        |
| Married, wife not entitled, total.....                                 | 100.0                              | 100.0     | 100.0       |
| \$10.00-19.99.....   | 21.8                               | 23.9      | 24.8        |
| 20.00-29.99.....   | 60.3                               | 57.8      | 56.6        |
| 30.00-39.99.....   | 15.1                               | 12.7      | 13.0        |
| 40.00-41.00.....   | 2.8                                | 5.6       | 5.6         |
| Female primary beneficiary, total.....                                 | 100.0                              | 100.0     | 100.0       |
| \$10.00-19.99.....   | 53.6                               | 58.2      | 42.5        |
| 20.00-29.99.....   | 45.3                               | 40.7      | 54.8        |
| 30.00-39.99.....   | 1.1                                | 1.1       | 2.7         |
| Widow, child entitled, total.....                                      | 100.0                              | 100.0     | 100.0       |
| \$10.00-29.99.....   | 14.0                               | 18.3      | 15.7        |
| 30.00-39.99.....   | 30.2                               | 30.8      | 26.1        |
| 40.00-49.99.....   | 31.8                               | 21.7      | 20.1        |
| 50.00-83.20.....   | 24.0                               | 29.2      | 38.1        |
| Average (mean) amount of benefit received in survey year <sup>2</sup>  |                                    |           |             |
| Male primary beneficiary, total <sup>1</sup> .....                     | \$314                              | \$314     | \$299       |
| Nonmarried.....  | 249                                | 248       | 238         |
| Married, wife entitled.....  | 406                                | 424       | 424         |
| Married, wife not entitled.....  | 278                                | 258       | 251         |
| Female primary beneficiary.....  | 216                                | 199       | 223         |
| Widow, child entitled.....   | 476                                | 485       | 485         |

<sup>1</sup> The groups of married male primary beneficiaries, with child entitled, were too small to be presented in detail. The average annual insurance benefit received by these groups was \$416 in Philadelphia and Baltimore, \$363 in St. Louis, and \$355 in Los Angeles.

<sup>2</sup> The amount of insurance benefit received in the survey year is not necessarily 12 times the monthly benefit awarded because of benefit suspensions resulting from wages in covered employment of \$15 or more a month, or suspensions for other reasons.

\$30-39, \$40-49, and \$50-83 in Philadelphia and Baltimore and in St. Louis; only a small proportion received monthly benefits of less than \$30. In Los Angeles a considerably larger proportion received monthly benefits of \$50-83 than lower amounts. The amount of insurance benefit received in the survey year was not necessarily 12 times the monthly benefit because of benefit suspensions resulting from wages of \$15 or more per month earned in covered employment, or because of suspensions for some other statutory reason.<sup>3</sup>

For most beneficiaries, the insurance benefits were supplemented by other sources of income, but, for 13 percent of the male primary beneficiaries in Philadelphia and Baltimore, 14 percent in St. Louis, and 4 percent in Los Angeles, the monthly benefits provided the only source of cash income. The beneficiaries who were living alone and had no income except their monthly benefits were, without exception, finding it difficult to manage. One interviewer writes:

Mr. and Mrs. G would like assistance in getting clothes, as their monthly benefit check of \$31.65 is used entirely for rent (\$12 a month) and food, leaving nothing for clothes, medical care, or miscellaneous items. They bought what they could and when the money was gone they "went without."

About three-fourths of the male and female primary beneficiary groups with no income except the monthly benefits lived with relatives, and the insurance benefit enabled them to contribute toward their own support. Said one interviewer:

The only income of the beneficiary, an unmarried man, was his insurance benefit. He had lived with his son, daughter-in-law, and two grandchildren for a long time, and, after retirement, he turned over his entire income to his son. His son's annual income was \$1,820; the beneficiary felt that his monthly benefit of \$17.52 helped, and doubted that without it his son would have been willing to support him.

Less than a third of all the male primary beneficiary groups surveyed had entire income from monthly benefits and other permanent sources only, and less than one-fifth had incomes of \$600 or over which were derived from permanent sources only. The two chief sources of permanent income, in addition to insurance benefit, were

<sup>3</sup> If the primary benefit is suspended, the supplementary wife's and child's benefits are also suspended. If the beneficiary fails to report his earnings in excess of the legal amount from covered employment, he loses his benefit for twice the number of months in which he received wages.

private retirement pay and income from assets. A much larger proportion of male primary beneficiaries received income from assets (40-51 percent) than private retirement pay (11-25 percent), although the average amount reported by those receiving retirement pay (\$616-790) was much higher than by those having income from assets (\$164-422).

Some male beneficiary groups reported both permanent and temporary sources of income in addition to their monthly benefits. These frequently consisted of interest on savings and earnings from employment, though other combinations were also reported. Between 33 and 40 percent of all the male beneficiary groups derived their income from monthly benefits and temporary or supplementary sources, with no income at all from other permanent sources. Earnings provided the most important temporary source of income in each survey. In Philadelphia and Baltimore and in St. Louis, unemployment compensation provided a more important source of income than any other temporary or supplementary source except employment; in Los Angeles, on the other hand, more beneficiaries received old-age assistance payments than unemployment compensation.

The proportion of beneficiary groups reporting public and private relief, including work relief, was as follows:

| Type of beneficiary group                          | Philadel-<br>phia and<br>Baltimore | St. Louis | Los Angeles |
|--|------------------------------------|-----------|-------------|
| Male primary beneficiary, total <sup>1</sup> ..... | 7.7                                | 8.9       | 24.8        |
| Nonmarried.....                                    | 9.8                                | 10.7      | 39.4        |
| Married, wife entitled.....                        | 4.9                                | 4.4       | 24.1        |
| Married, wife not entitled.....                    | 8.4                                | 10.2      | 17.0        |
| Female primary beneficiary.....                    | 10.5                               | 13.2      | 34.4        |
| Widow, child entitled.....                         | 10.9                               | 9.2       | 7.5         |

<sup>1</sup> The groups of married male primary beneficiaries, with child entitled, were too small for computation of percentage distributions.

Old-age assistance payments in California supplement other income to a total of \$40 a month for persons 65 years or over who meet the State property and residence requirements. Not only was a considerably larger proportion of insurance beneficiaries receiving old-age assistance payments in Los Angeles than in Philadelphia and Baltimore or in St. Louis, but the average amount received by male primary beneficiaries in Los Angeles who were granted aid was \$306, as compared with \$172 in Philadelphia and Baltimore and \$179 in St.

Louis.<sup>9</sup> Female primary beneficiaries granted aid in Los Angeles received \$325, on the average, while those granted aid in Philadelphia and Baltimore averaged \$203, and in St. Louis, \$137. Public assistance payments in California are outstandingly liberal only with respect to old-age assistance. The proportion of widows with entitled children receiving relief in Los Angeles was slightly less than the proportion in the other two surveys, although the average amount received by widows who were granted aid in Los Angeles was \$475, as compared with \$131 in Philadelphia and Baltimore and \$253 in St. Louis.<sup>10</sup>

In the following examples, income, in addition to the insurance benefit, was received from temporary sources only:

Mr. and Mrs. Y's chief source of income was \$602 from roomers, but rent took \$360 of this amount. The monthly benefit amounted to \$288. Unemployment compensation payments of \$171 paid for the winter's coal. Mrs. Y remarked that she had had to pawn her wedding ring and other jewelry for coal, prior to receipt of unemployment compensation. They had previously cashed in two insurance policies.

Mr. and Mrs. L lived alone in their home, which was mortgaged for \$1,800. They seemed to be comfortably off so long as Mr. L worked, which was spasmodically. At the end of the survey year, Mr. L was employed, at about \$147 a month, in noncovered employment. Their income for the survey year included \$576 from employment, \$332 from the monthly benefit. Their assets consisted of \$200 in cash and \$1,500 equity in their home.

Mr. and Mrs. T were in desperate financial straits. Mr. T earned good wages but saved nothing. He borrowed \$400 from a finance company during the survey year, on which he had to make monthly payments of \$39.20 including \$5 interest. Their income during the survey year was \$72 from unemployment compensation, \$150 from a son outside the household, and \$737 from monthly benefit. There were no assets. The son was captured at Corregidor.

In slightly more than one-fourth of the homes of male primary beneficiaries, assets were used to supplement income. Illness, often coupled with inadequate income, was frequently the cause of the withdrawal of savings, as in the following illustration:

<sup>9</sup> The average amount of relief includes private relief received by 1 male primary beneficiary group in Philadelphia and Baltimore, 5 in St. Louis, and 3 in Los Angeles.

<sup>10</sup> Includes private relief received by 1 beneficiary group composed of widow and entitled children in Philadelphia and Baltimore, 1 in St. Louis, and 2 in Los Angeles.

Mr. and Mrs. W withdrew \$500 from their savings during the survey year, leaving a balance of \$400. They owned their home, valued at \$1,857. Their income during the year was \$480, all but \$13 of which was derived from insurance benefit. The \$13 represented interest paid on their savings account. Two hundred dollars of their savings was used for doctor and dentist bills as Mr. W required constant medical care because of tuberculosis. The balance of the savings was used to pay the taxes and to meet current expenses.

Some beneficiaries dipped into their assets in order to maintain their customary mode of living. For example:

Mr. C had to quit working because of heart trouble. When interviewed, he stated he felt good but could do nothing strenuous. Mr. and Mrs. C and an adult dependent daughter lived in their own home, valued at \$5,500 and mortgaged for \$780. Mr. C's income for the survey year was \$3,471, derived from retirement pay, income from assets, and monthly benefits. He used \$400 of his savings to pay taxes and other bills. His net assets totaled \$7,686.

Mr. and Mrs. A depleted their assets substantially during the survey year. Their income, derived from noncovered employment, assets, and insurance benefit, totaled \$420. Mr. A had sold some property several years earlier for which he received \$37.50 a month. This money, in addition to cash savings of \$720, was spent to meet living expenses. When their cash assets are depleted to the point where they are eligible for old-age assistance, they plan to apply. The big fear of Mr. and Mrs. A was that taxes and upkeep on their home could not be paid out of their small monthly income.

The income of the entire family, in the final analysis, determines the level of living and the economic security of the beneficiaries. Although the internal financial arrangements may benefit one person or group of persons at the expense of others, in an emergency the resources of the entire group may be utilized. The family income is given in table 9, together with the average size of family.

The extent, however, to which relatives in the homes of the beneficiaries contributed to the support of the beneficiaries is not indicated by the total family income. Frequently, the adult sons and daughters paid into the home a certain amount to cover their share of the cost of food and housing. Sometimes this amount more than adequately covered their share of the expenses; sometimes it was clear that aged beneficiaries were partially supporting their children. In a few

homes, the beneficiaries were entirely supporting adult dependents.

Reliance on sons and daughters for support is uncertain during normal times; in a war period, it is doubly uncertain. The main hazard during peacetime is the marriage of the son or daughter on whom the parents depend. For example:

Mr. and Mrs. S reported income during the survey year as follows: \$277 from wages, \$240 from unemployment compensation, and \$123 from insurance benefit. Their daughter, who lived with them, earned \$1,373. She expected to marry soon and move from the household. Mr. and Mrs. S had no assets and owed \$257. They did not know how they would manage as they could not qualify for old-age assistance because of the State residence requirements.

All the surveys were made before the passage of the Servicemen's Dependents Allowance Act of 1942. Various adjustments were anticipated at the time of the interview by beneficiaries whose sons expected to be drafted in the near future. The extent to which the regular dependents allowances (which are limited by maximums of \$37 to one parent and \$47 to two parents) would replace the contributions of the sons and make adjustments by the aged beneficiaries or widows unnecessary would depend, of course, on the amount of the son's former contribution. At the time of the interview, some beneficiaries expected to apply for old-age assistance, and others anticipated cashing insurance policies, selling homes, or finding jobs. For example:

Mr. and Mrs. B owned their home, valued at \$3,000. This was their only asset. Their income during the survey year was \$126 from earnings from employment, and \$180 from insurance benefit. Their son, who lived with them, paid \$60 a month toward household expenses. He had been drafted and expected to leave soon. Mr. and Mrs. B then planned to apply for old-age assistance. The passage of the Servicemen's Dependents Allowance Act may have made their application for old-age assistance unnecessary.

### **Net Worth**

"Net worth" is a balance between the value of assets and the value of liabilities. Assets included cash, savings or checking accounts, the market value of stocks or bonds, the market value of owner-occupied real estate, net equity in all other real estate, and the capitalized value of independent business. They did not include the value of annuity policies or the balance due on



death benefits which were to be paid in installments for a certain number of years. The market value of stocks and bonds was checked against listings on stock exchanges; the market value of real estate represents the opinion of the family interviewed, occasionally revised to conform with market values of similar homes in the same community. The market value of an independent business, such as a cleaning establishment, shoe-repair shop, machine shop, and the like, was either reported by the beneficiary or derived by capitalizing the income at 6 percent. Liabilities included unpaid bills, mortgages on owner-occupied real estate, borrowings on life insurance policies, and other borrowings, whether or not secured by collateral.

All the beneficiary groups, with the exception of nonmarried men, reported more assets in Los Angeles than in Philadelphia and Baltimore or in St. Louis (table 10). The nonmarried men, on the other hand, appear to have had less assets in Los Angeles than in the other two studies. In each survey the men whose wives were entitled reported assets more frequently and of higher amounts than the men whose wives were not entitled. The assets of the beneficiary groups may be somewhat understated because of the reluctance of some beneficiaries to report assets.

*Life insurance.*—The amount of insurance carried on the lives of members of the beneficiary groups was obtained from the beneficiaries. The policies included term, industrial, and ordinary,

Table 9.—Family income and size of family: Percentage distribution of specified types of beneficiary groups<sup>1</sup> by family income, median income of each group, and average size of family<sup>2</sup> by family income, four cities

| Family income group        | Percentage distribution by family income |             |                        |                            |                            |                       | Average size of family <sup>3</sup> |                  |                        |                            |                            |                       |
|----------------------------|--|-------------|------------------------|----------------------------|----------------------------|-----------------------|-------------------------------------|------------------|------------------------|----------------------------|----------------------------|-----------------------|
|                            | Male primary beneficiary                 |             |                        |                            | Female primary beneficiary | Widow, child entitled | Male primary beneficiary            |                  |                        |                            | Female primary beneficiary | Widow, child entitled |
|                            | Total                                    | Non-married | Married, wife entitled | Married, wife not entitled |                            |                       | Total                               | Non-married      | Married, wife entitled | Married, wife not entitled |                            |                       |
| Philadelphia and Baltimore |  |             |                        |                            |                            |                       |                                     |                  |                        |                            |                            |                       |
| Total.....                 | 100.0                                    | 100.0       | 100.0                  | 100.0                      | 100.0                      | 100.0                 | 3.1                                 | 2.7              | 3.1                    | 3.3                        | 2.8                        | 4.2                   |
| Less than \$600.....       | 21.7                                     | 32.0        | 17.2                   | 18.5                       | 31.5                       | 12.4                  | 1.7                                 | 1.2              | 2.1                    | 2.1                        | 1.3                        | 2.8                   |
| 600-1,199.....             | 25.6                                     | 19.0        | 32.4                   | 25.1                       | 21.1                       | 32.5                  | 2.2                                 | 1.6              | 2.2                    | 2.4                        | 2.4                        | 3.5                   |
| 1,200-1,799.....           | 14.0                                     | 9.8         | 16.0                   | 15.6                       | 14.7                       | 16.3                  | 3.1                                 | 2.8              | 3.0                    | 3.2                        | 2.7                        | 4.9                   |
| 1,800-2,399.....           | 13.6                                     | 11.8        | 16.6                   | 12.3                       | 6.3                        | 17.8                  | 3.8                                 | 3.4              | 4.1                    | 3.7                        | ( <sup>4</sup> )           | 4.0                   |
| 2,400-2,999.....           | 9.4                                      | 9.8         | 7.4                    | 11.2                       | 9.5                        | 10.9                  | 4.6                                 | 4.9              | 4.4                    | 4.4                        | ( <sup>4</sup> )           | 5.4                   |
| 3,000-3,999.....           | 10.4                                     | 11.1        | 6.7                    | 12.3                       | 9.5                        | 6.2                   | 4.7                                 | 4.6              | 4.8                    | 4.4                        | ( <sup>4</sup> )           | ( <sup>4</sup> )      |
| 4,000 and over.....        | 5.3                                      | 6.5         | 3.7                    | 5.0                        | 7.4                        | 3.9                   | 5.5                                 | 5.1              | ( <sup>4</sup> )       | ( <sup>4</sup> )           | ( <sup>4</sup> )           | ( <sup>4</sup> )      |
| Median income.....         | \$1,302                                  | \$1,090     | \$1,218                | \$1,422                    | \$1,164                    | \$1,356               |                                     |                  |                        |                            |                            |                       |
| St. Louis                  |  |             |                        |                            |                            |                       |                                     |                  |                        |                            |                            |                       |
| Total.....                 | 100.0                                    | 100.0       | 100.0                  | 100.0                      | 100.0                      | 100.0                 | 2.8                                 | 2.1              | 3.0                    | 2.9                        | 2.4                        | 3.9                   |
| Less than \$600.....       | 25.9                                     | 40.6        | 21.1                   | 21.4                       | 39.5                       | 12.5                  | 1.6                                 | 1.1              | 2.0                    | 2.1                        | 1.4                        | 3.1                   |
| 600-1,199.....             | 24.7                                     | 16.7        | 30.5                   | 25.9                       | 23.1                       | 28.3                  | 2.2                                 | 1.6              | 2.2                    | 2.3                        | 2.2                        | 3.5                   |
| 1,200-1,799.....           | 14.5                                     | 14.7        | 13.3                   | 15.2                       | 11.0                       | 20.2                  | 2.8                                 | 2.8              | 3.1                    | 2.4                        | 2.8                        | 3.7                   |
| 1,800-2,399.....           | 10.9                                     | 12.0        | 11.7                   | 8.6                        | 9.9                        | 14.2                  | 3.6                                 | 2.9              | 3.6                    | 3.9                        | ( <sup>4</sup> )           | 4.6                   |
| 2,400-2,999.....           | 7.6                                      | 5.3         | 6.7                    | 9.6                        | 7.7                        | 7.5                   | 3.8                                 | ( <sup>4</sup> ) | 3.8                    | 3.8                        | ( <sup>4</sup> )           | ( <sup>4</sup> )      |
| 3,000-3,999.....           | 10.5                                     | 7.3         | 10.0                   | 13.2                       | 6.6                        | 5.8                   | 4.1                                 | 3.9              | 4.1                    | 3.7                        | ( <sup>4</sup> )           | ( <sup>4</sup> )      |
| 4,000 and over.....        | 5.9                                      | 3.4         | 6.7                    | 6.1                        | 2.2                        | 2.5                   | 5.0                                 | ( <sup>4</sup> ) | 5.6                    | 4.5                        | ( <sup>4</sup> )           | ( <sup>4</sup> )      |
| Median income.....         | \$1,180                                  | \$896       | \$1,145                | \$1,256                    | \$804                      | \$1,287               |                                     |                  |                        |                            |                            |                       |
| Los Angeles                |  |             |                        |                            |                            |                       |                                     |                  |                        |                            |                            |                       |
| Total.....                 | 100.0                                    | 100.0       | 100.0                  | 100.0                      | 100.0                      | 100.0                 | 2.3                                 | 1.6              | 2.4                    | 2.6                        | 1.7                        | 3.8                   |
| Less than \$600.....       | 21.4                                     | 47.3        | 10.2                   | 13.3                       | 35.5                       | 4.5                   | 1.5                                 | 1.0              | 2.1                    | 2.0                        | 1.2                        | ( <sup>4</sup> )      |
| 600-1,199.....             | 33.7                                     | 23.7        | 46.7                   | 32.3                       | 39.7                       | 28.3                  | 2.0                                 | 1.4              | 2.1                    | 2.2                        | 1.6                        | 3.1                   |
| 1,200-1,799.....           | 16.8                                     | 10.3        | 18.0                   | 19.6                       | 10.8                       | 17.2                  | 2.4                                 | 2.0              | 2.4                    | 2.4                        | 1.9                        | 4.0                   |
| 1,800-2,399.....           | 10.9                                     | 5.9         | 11.6                   | 13.9                       | 5.9                        | 21.6                  | 3.0                                 | 3.2              | 2.9                    | 3.0                        | 2.5                        | 3.5                   |
| 2,400-2,999.....           | 7.3                                      | 6.4         | 7.9                    | 7.4                        | 4.3                        | 11.2                  | 3.2                                 | 2.9              | 3.5                    | 3.1                        | ( <sup>4</sup> )           | 4.4                   |
| 3,000-3,999.....           | 6.2                                      | 3.9         | 4.2                    | 8.0                        | 2.2                        | 12.0                  | 3.7                                 | ( <sup>4</sup> ) | ( <sup>4</sup> )       | 3.8                        | ( <sup>4</sup> )           | 5.5                   |
| 4,000 and over.....        | 3.7                                      | 2.5         | 1.4                    | 5.5                        | 1.6                        | 5.2                   | 3.9                                 | ( <sup>4</sup> ) | ( <sup>4</sup> )       | 3.4                        | ( <sup>4</sup> )           | ( <sup>4</sup> )      |
| Median income.....         | \$1,088                                  | \$628       | \$906                  | \$1,539                    | \$842                      | \$1,795               |                                     |                  |                        |                            |                            |                       |

<sup>1</sup> The groups of married male primary beneficiaries, with child entitled, were too small to be presented in detail. The median income for these groups was \$2,001 in Philadelphia and Baltimore, \$2,125 in St. Louis, and \$1, in

Los Angeles; the average size of family 5.2, 5.2, and 4.1, respectively.

<sup>2</sup> Average number of persons in family 52 weeks.

<sup>3</sup> Not computed on base of less than 10.

in all of which benefits are payable on the death of the insured, and annuity policies which had not yet matured. Insurance carried by unions or fraternal orders and by previous employers, if still in force, was also included. As stated above, borrowings against the policies were included under liabilities and are reflected in the net worth of the beneficiary group; the borrowings are not deducted from the face value of the policies.

The proportion of nonmarried men and of

**Table 10.—Net worth: Percentage distribution of specified types of beneficiary groups<sup>1</sup> by net worth, and median net worth, four cities**

| Net worth                                   | Male primary beneficiary |                  |                                     |  | Fe-<br>male pri-<br>mary bene-<br>fici-ary | Wid-<br>ow, child<br>entitled |
|---|--------------------------|------------------|-------------------------------------|--|--|-------------------------------|
|   | Total                    | Non-mar-<br>ried | Mar-<br>ried, wife<br>en-<br>titled | Mar-<br>ried, wife<br>not<br>en-<br>titled |  |                               |
| Philadelphia and Baltimore                  |                          |                  |                                     |  |  |                               |
| Total number <sup>2</sup> .....             | 498                      | 149              | 157                                 | 174  | 91   | 129                           |
| Total percent.....                          | 100.0                    | 100.0            | 100.0                               | 100.0                                      | 100.0                                      | 100.0                         |
| Liabilities exceed assets.....              | 7.9                      | 4.0              | 7.6                                 | 10.9                                       | 2.2  | 14.7                          |
| No assets or liabilities <sup>3</sup> ..... | 26.0                     | 39.6             | 18.5                                | 20.1                                       | 37.4                                       | 24.1                          |
| Assets exceed liabilities by:               |                          |                  |                                     |  |  |                               |
| Less than \$1,000.....                      | 14.0                     | 18.8             | 13.4                                | 11.5                                       | 28.6                                       | 24.0                          |
| 1,000-4,999.....                            | 39.9                     | 28.8             | 45.8                                | 44.9                                       | 31.8                                       | 29.5                          |
| 5,000-9,999.....                            | 6.9                      | 5.4              | 8.3                                 | 6.3  | -----                                      | 5.4                           |
| 10,000 and over.....                        | 5.3                      | 3.4              | 6.4                                 | 6.3  | -----                                      | 2.3                           |
| Median net worth.....                       | \$1,257                  | \$200            | \$2,000                             | \$1,603                                    | \$289                                      | \$320                         |
| St. Louis                                   |                          |                  |                                     |  |  |                               |
| Total number .....                          | 550                      | 180              | 180                                 | 197  | 91   | 120                           |
| Total percent.....                          | 100.0                    | 100.0            | 100.0                               | 100.0                                      | 100.0                                      | 100.0                         |
| Liabilities exceed assets.....              | 10.2                     | 8.0              | 8.3                                 | 13.7                                       | 15.4                                       | 20.8                          |
| No assets or liabilities <sup>3</sup> ..... | 23.8                     | 37.9             | 20.0                                | 17.8                                       | 36.3                                       | 18.3                          |
| Assets exceed liabilities by:               |                          |                  |                                     |  |  |                               |
| Less than \$1,000.....                      | 13.3                     | 18.7             | 12.2                                | 9.6  | 23.1                                       | 18.3                          |
| 1,000-4,999.....                            | 31.6                     | 18.7             | 32.8                                | 39.1                                       | 24.1                                       | 31.7                          |
| 5,000-9,999.....                            | 12.4                     | 10.7             | 16.1                                | 10.2                                       | 1.1  | 6.7                           |
| 10,000 and over.....                        | 8.7                      | 6.0              | 10.6                                | 9.6  | -----                                      | 4.2                           |
| Median net worth.....                       | \$1,275                  | \$73             | \$2,050                             | \$2,000                                    | 0  | \$335                         |
| Los Angeles                                 |                          |                  |                                     |  |  |                               |
| Total number .....                          | 758                      | 203              | 216                                 | 323  | 186  | 134                           |
| Total percent.....                          | 100.0                    | 100.0            | 100.0                               | 100.0                                      | 100.0                                      | 100.0                         |
| Liabilities exceed assets.....              | 10.3                     | 13.8             | 6.5                                 | 10.5                                       | 10.2                                       | 18.7                          |
| No assets or liabilities <sup>3</sup> ..... | 18.3                     | 34.5             | 12.0                                | 12.7                                       | 21.5                                       | 11.9                          |
| Assets exceed liabilities by:               |                          |                  |                                     |  |  |                               |
| Less than \$1,000.....                      | 14.8                     | 18.7             | 12.1                                | 14.2                                       | 30.1                                       | 18.7                          |
| 1,000-4,999.....                            | 31.0                     | 21.6             | 37.0                                | 32.2                                       | 25.8                                       | 34.3                          |
| 5,000-9,999.....                            | 15.4                     | 8.4              | 22.2                                | 15.8                                       | 7.0  | 10.4                          |
| 10,000 and over.....                        | 10.2                     | 3.0              | 10.2                                | 14.6                                       | 5.4  | 6.0                           |
| Median net worth.....                       | \$1,717                  | \$50             | \$2,869                             | \$2,600                                    | \$449                                      | \$1,000                       |

<sup>1</sup> The groups of married male primary beneficiaries, with child entitled, were too small to be presented in detail. Median net worth was zero in Philadelphia and Baltimore, \$1,680 in St. Louis, and \$1,716 in Los Angeles.

<sup>2</sup> Excludes beneficiary groups that did not report net worth.

<sup>3</sup> Includes beneficiary groups whose assets and liabilities balance, and those who had no assets or liabilities.

women entitled on their own wage records who carried life insurance was strikingly less in Los Angeles than in the other cities (table 11). It was also less in the case of married men and of widows with entitled children, although the differences between Los Angeles and the other cities was not so marked.

As might be expected, more of the married than of the nonmarried men carried life insurance, but more women primary beneficiaries than nonmarried men reported policies. In each beneficiary

**Table 11.—Life insurance: Percentage distribution of specified types of beneficiary groups<sup>1</sup> by face value of life insurance policies held, and median face value of policies held by each group, four cities**

| Face value of policies               | Male primary beneficiary |                      |  |   | Fe-<br>male<br>pri-<br>mary<br>ben-<br>e-<br>fi-<br>ci-<br>ary | Wid-<br>ow,<br>child<br>en-<br>titled |
|--------------------------------------|--------------------------|----------------------|--|---|--|---------------------------------------|
|                                      | Total                    | Non-<br>mar-<br>ried | Mar-<br>ried,<br>wife<br>en-<br>titled | Mar-<br>ried,<br>wife<br>not<br>en-<br>titled |  |                                       |
| Philadelphia and Baltimore           |                          |                      |  |   |  |                                       |
| Total number <sup>2</sup> .....      | 498                      | 150                  | 159                                    | 176   | 94   | 127                                   |
| Total percent.....                   | 100.0                    | 100.0                | 100.0                                  | 100.0   | 100.0  | 100.0                                 |
| No policy.....                       | 25.7                     | 37.3                 | 21.4                                   | 19.9  | 26.6   | 14.2                                  |
| Policies:                            |                          |                      |  |   |  |                                       |
| Less than \$1,000.....               | 42.6                     | 44.0                 | 44.0                                   | 39.8  | 64.9   | 40.9                                  |
| 1,000-1,999.....                     | 21.3                     | 12.7                 | 24.5                                   | 26.1  | 6.4  | 37.0                                  |
| 2,000-2,999.....                     | 4.8                      | 2.7                  | 4.4                                    | 6.8   | -----  | 6.3                                   |
| 3,000 and over.....                  | 5.6                      | 3.3                  | 5.7                                    | 7.4   | 2.1  | 1.6                                   |
| Median face value <sup>3</sup> ..... | \$500                    | \$200                | \$635                                  | \$705   | \$238  | \$229                                 |
| St. Louis                            |                          |                      |  |   |  |                                       |
| Total number.....                    | 550                      | 180                  | 180                                    | 197   | 91   | 120                                   |
| Total percent.....                   | 100.0                    | 100.0                | 100.0                                  | 100.0   | 100.0  | 100.0                                 |
| No policy.....                       | 17.8                     | 30.0                 | 11.1                                   | 15.2  | 24.2   | 8.3                                   |
| Policies:                            |                          |                      |  |   |  |                                       |
| Less than \$1,000.....               | 30.4                     | 39.3                 | 29.4                                   | 23.9  | 65.9   | 28.4                                  |
| 1,000-1,999.....                     | 30.2                     | 20.0                 | 32.3                                   | 37.0  | 7.7  | 32.5                                  |
| 2,000-2,999.....                     | 9.8                      | 2.7                  | 13.9                                   | 10.7  | -----  | 20.0                                  |
| 3,000 and over.....                  | 11.8                     | 8.0                  | 13.3                                   | 13.2  | 2.2  | 10.8                                  |
| Median face value.....               | \$1,000                  | \$400                | \$1,065                                | \$1,000                                       | \$300  | \$1,150                               |
| Los Angeles                          |                          |                      |  |   |  |                                       |
| Total number.....                    | 758                      | 203                  | 216                                    | 323   | 186  | 134                                   |
| Total percent.....                   | 100.0                    | 100.0                | 100.0                                  | 100.0   | 100.0  | 100.0                                 |
| No policy.....                       | 40.6                     | 65.9                 | 31.5                                   | 31.0  | 57.0   | 23.1                                  |
| Policies:                            |                          |                      |  |   |  |                                       |
| Less than \$1,000.....               | 20.1                     | 16.3                 | 20.4                                   | 22.3  | 30.6   | 30.6                                  |
| 1,000-1,999.....                     | 18.1                     | 9.4                  | 23.6                                   | 19.5  | 8.6  | 29.1                                  |
| 2,000-2,999.....                     | 10.4                     | 5.4                  | 13.4                                   | 11.1  | 2.2  | 9.7                                   |
| 3,000 and over.....                  | 10.8                     | 3.0                  | 11.1                                   | 16.1  | 1.6  | 7.5                                   |
| Median face value.....               | \$500                    | 0                    | \$770                                  | \$720   | 0  | \$804                                 |

<sup>1</sup> The groups of married male primary beneficiaries, with child entitled, were too small for computation of percentage distributions. The median face value for these groups was \$830 in Philadelphia and Baltimore, \$1,000 in St. Louis, and \$700 in Los Angeles.

<sup>2</sup> Excludes beneficiary groups who did not report face value of policies held.

<sup>3</sup> Based on total number of beneficiary groups for whom life insurance information was obtained.

group, more than half of those carrying life insurance had policies totaling less than \$2,000.

**Relationship between family insurance benefit and resources of beneficiaries.**—The relationship between income, assets, and family insurance benefit for male and female primary beneficiary groups is given in tables 12 and 13. Comparisons between the studies should be made with caution, since the distribution of male beneficiaries according to family insurance benefit depended on the relative number of married men with entitled wives in each study. In general, beneficiary groups with low benefits also reported less additional income. Of the male primary beneficiary

groups with family monthly insurance benefits of \$10–19.99, 49–77 percent had incomes of less than \$600; of those with monthly benefits of \$40–62.40, on the other hand, only 4–24 percent reported incomes of as little as \$600.

Since the family insurance benefit is based on the average monthly wage of the primary beneficiary, which, for most beneficiary groups, is indicative of their previous economic status, it is not surprising to find a marked relationship between net worth and family insurance benefit, and between assets used to meet living expenses and family insurance benefit. From 50 to 56 percent of male primary beneficiary groups in the lowest ben-

**Table 12.—Income and net worth: Percentage distribution of male and female primary beneficiaries by total income of the beneficiary group and distribution by net worth, by amount of family insurance benefit; and median income and median net worth by amount of family insurance benefit, four cities**

| Type, income, and net worth of beneficiary group | Family insurance benefit   |               |               |               |                  |           |               |               |               |                  |             |               |               |               |                  |
|--|----------------------------|---------------|---------------|---------------|------------------|-----------|---------------|---------------|---------------|------------------|-------------|---------------|---------------|---------------|------------------|
|  | Philadelphia and Baltimore |               |               |               |                  | St. Louis |               |               |               |                  | Los Angeles |               |               |               |                  |
|  | Total                      | \$10.00-19.99 | \$20.00-29.99 | \$30.00-39.99 | \$40.00 and over | Total     | \$10.00-19.99 | \$20.00-29.99 | \$30.00-39.99 | \$40.00 and over | Total       | \$10.00-19.99 | \$20.00-29.99 | \$30.00-39.99 | \$40.00 and over |
| Income   |                            |               |               |               |                  |           |               |               |               |                  |             |               |               |               |                  |
| Male primary beneficiary:                        |                            |               |               |               |                  |           |               |               |               |                  |             |               |               |               |                  |
| Total number                                     | 508                        | 99            | 219           | 155           | 55               | 550       | 107           | 216           | 156           | 71               | 758         | 170           | 319           | 174           | 95               |
| Median income                                    | \$599                      | \$588         | \$557         | \$706         | \$1,161          | \$610     | \$494         | \$543         | \$691         | \$1,296          | \$614       | \$604         | \$673         | \$663         | \$15,29          |
| Total percent                                    | 100.0                      | 100.0         | 100.0         | 100.0         | 100.0            | 100.0     | 100.0         | 100.0         | 100.0         | 100.0            | 100.0       | 100.0         | 100.0         | 100.0         | 100.0            |
| Less than \$300                                  | 14.4                       | 39.4          | 15.1          | 7             | 9.8              | 24.3      | 13.0          | 37.8          | 23.9          | 4.0              | 8.8         | 4.7           | 14.9          | 4.2           | 18.9             |
| 300-599  | 35.8                       | 37.4          | 40.6          | 37.8          | 9.1              | 38.8      | 41.1          | 43.0          | 37.8          | 23.9             | 29.9        | 40.6          | 40.1          | 19.4          | 26.4             |
| 600-899  | 22.3                       | 13.1          | 23.7          | 25.9          | 23.6             | 20.5      | 16.8          | 20.4          | 24.4          | 18.3             | 22.3        | 25.3          | 19.4          | 26.4          | 18.9             |
| 900 and over                                     | 27.5                       | 10.1          | 20.6          | 35.6          | 67.3             | 30.9      | 17.8          | 23.6          | 37.8          | 57.8             | 43.8        | 25.3          | 35.8          | 58.7          | 76.9             |
| Female primary beneficiary:                      |                            |               |               |               |                  |           |               |               |               |                  |             |               |               |               |                  |
| Total number                                     | 95                         | 51            | 43            | 1             | —                | 91        | 53            | 37            | 1             | —                | 186         | 79            | 108           | 5             | —                |
| Median income                                    | \$599                      | \$588         | \$439         | (1)           | —                | \$599     | \$342         | \$450         | (1)           | —                | \$553       | \$514         | \$594         | (1)           | —                |
| Total percent                                    | 100.0                      | 100.0         | 100.0         | (2)           | —                | 100.0     | 100.0         | 100.0         | (2)           | —                | 100.0       | 100.0         | 100.0         | (2)           | —                |
| Less than \$300                                  | 37.9                       | 45.1          | 30.2          | —             | —                | 35.2      | 45.3          | 21.6          | —             | —                | 11.8        | 13.9          | 10.8          | —             | —                |
| 300-599  | 41.0                       | 41.2          | 41.9          | —             | —                | 51.6      | 47.2          | 59.5          | —             | —                | 41.4        | 44.3          | 40.2          | (2)           | —                |
| 600-899  | 11.6                       | 5.9           | 18.6          | —             | —                | 7.7       | —             | 16.2          | (2)           | —                | 19.4        | 20.3          | 18.6          | (2)           | —                |
| 900 and over                                     | 9.5                        | 7.8           | 9.3           | (2)           | —                | 5.5       | 7.5           | 2.7           | —             | —                | 27.4        | 21.5          | 30.4          | (2)           | —                |
| Net worth  |                            |               |               |               |                  |           |               |               |               |                  |             |               |               |               |                  |
| Male primary beneficiary:                        |                            |               |               |               |                  |           |               |               |               |                  |             |               |               |               |                  |
| Total number <sup>1</sup>                        | 493                        | 98            | 211           | 130           | 54               | 550       | 107           | 216           | 156           | 71               | 758         | 170           | 319           | 174           | 95               |
| Median net worth                                 | \$1,837                    | 0             | \$1,200       | \$1,538       | \$2,745          | \$1,875   | 0             | \$300         | \$1,995       | \$4,500          | \$1,717     | 0             | \$1,750       | \$2,614       | \$5,759          |
| Total percent                                    | 100.0                      | 100.0         | 100.0         | 100.0         | 100.0            | 100.0     | 100.0         | 100.0         | 100.0         | 100.0            | 100.0       | 100.0         | 100.0         | 100.0         | 100.0            |
| Liabilities exceed assets                        | 7.9                        | 11.2          | 6.6           | 8.5           | 5.6              | 10.2      | 15.9          | 11.6          | 7.7           | 2.8              | 10.3        | 18.2          | 8.8           | 5.7           | 9.4              |
| No assets or liabilities <sup>4</sup>            | 26.0                       | 44.9          | 25.2          | 21.5          | 5.6              | 23.8      | 34.6          | 27.3          | 19.2          | 7.1              | 18.3        | 34.1          | 19.1          | 8.7           | 5.3              |
| Assets exceed liabilities by:                    |                            |               |               |               |                  |           |               |               |               |                  |             |               |               |               |                  |
| Less than \$1,000                                | 14.0                       | 10.2          | 17.0          | 12.3          | 13.0             | 13.3      | 15.0          | 14.4          | 12.2          | 9.9              | 14.8        | 14.3          | 17.3          | 16.1          | 5.3              |
| 1,000-4,999                                      | 39.9                       | 29.6          | 42.6          | 39.2          | 49.8             | 31.6      | 21.5          | 31.9          | 37.1          | 33.8             | 31.0        | 20.0          | 32.8          | 39.7          | 28.4             |
| 5,000-9,999                                      | 6.9                        | 4.1           | 4.3           | 10.8          | 13.0             | 12.4      | 9.3           | 9.7           | 13.5          | 22.5             | 15.4        | 9.4           | 13.2          | 21.8          | 22.1             |
| 10,000 and over                                  | 5.3                        | —             | 4.3           | 7.7           | 13.0             | 8.7       | 3.7           | 5.1           | 10.3          | 23.9             | 10.2        | 4.1           | 8.8           | 8.0           | 29.5             |
| Female primary beneficiary:                      |                            |               |               |               |                  |           |               |               |               |                  |             |               |               |               |                  |
| Total number <sup>1</sup>                        | 91                         | 50            | 40            | 1             | —                | 91        | 53            | 37            | 1             | —                | 186         | 79            | 108           | 5             | —                |
| Median net worth                                 | \$289                      | \$200         | \$425         | (1)           | —                | 0         | 0             | 0             | (1)           | —                | \$449       | \$100         | \$665         | (1)           | —                |
| Total percent                                    | 100.0                      | 100.0         | 100.0         | (2)           | —                | 100.0     | 100.0         | 100.0         | (2)           | —                | 100.0       | 100.0         | 100.0         | (2)           | —                |
| Liabilities exceed assets                        | 2.2                        | 2.0           | 2.5           | —             | —                | 15.4      | 17.0          | 13.5          | —             | —                | 10.2        | 10.1          | 10.8          | —             | —                |
| No assets or liabilities <sup>4</sup>            | 37.4                       | 44.0          | 30.0          | —             | —                | 36.3      | 35.8          | 37.8          | —             | —                | 21.5        | 22.1          | 16.7          | —             | —                |
| Assets exceed liabilities by:                    |                            |               |               |               |                  |           |               |               |               |                  |             |               |               |               |                  |
| Less than \$1,000                                | 28.6                       | 26.0          | 30.0          | (2)           | —                | 23.1      | 26.4          | 18.9          | —             | —                | 30.1        | 31.6          | 30.3          | (2)           | —                |
| 1,000-4,999                                      | 31.8                       | 28.0          | 37.5          | —             | —                | 24.1      | 20.8          | 29.8          | —             | —                | 25.8        | 19.0          | 31.4          | (2)           | —                |
| 5,000-9,999                                      | —                          | —             | —             | —             | —                | 1.1       | —             | —             | (2)           | —                | 7.0         | 5.1           | 5.9           | (2)           | —                |
| 10,000 and over                                  | —                          | —             | —             | —             | —                | —         | —             | —             | —             | —                | 5.4         | 5.1           | 4.9           | (2)           | —                |

<sup>1</sup> Not computed on base of less than 10.

<sup>2</sup> Not computed as base is too small.

<sup>3</sup> Excludes beneficiary groups that did not report net worth.

<sup>4</sup> Includes beneficiary groups whose assets and liabilities balance, and those who had no assets or liabilities.



**Table 13.—Assets used to meet living expenses: Percent of beneficiary groups using assets to meet living expenses and average annual amount of assets used, by amount of family insurance benefit, four cities**

| Type of beneficiary group and family insurance benefit | Percent of beneficiary groups using assets |           |             | Average annual amount of assets used per beneficiary group |           |             |
|--|--|-----------|-------------|--|-----------|-------------|
|  | Philadelphia and Baltimore                 | St. Louis | Los Angeles | Philadelphia and Baltimore                                 | St. Louis | Los Angeles |
| Male primary beneficiary, total                        | 28.7                                       | 29.6      | 26.4        | \$90   | \$82      | \$93        |
| \$10.00-19.99  | 15.2                                       | 24.3      | 14.1        | 42   | 55        | 38          |
| 20.00-29.99  | 28.3                                       | 26.4      | 27.9        | 80   | 66        | 81          |
| 30.00-39.99  | 33.3                                       | 34.0      | 31.0        | 114  | 100       | 109         |
| 40.00 and over   | 43.6                                       | 38.0      | 34.7        | 156  | 136       | 197         |
| Female primary beneficiary, total                      | 24.2                                       | 28.6      | 33.3        | 44   | 54        | 90          |
| \$10.00-19.99  | 11.8                                       | 26.4      | 24.1        | 21   | 52        | 57          |
| 20.00-29.99  | 39.5                                       | 29.7      | 38.2        | 72   | 55        | 100         |
| 30.00-39.99  | (1)  | (1)       | (1)         | (2)  | (2)       | (2)         |
| 40.00 and over   |  |           |             |  |           |             |
| Widow, child entitled                                  | 39.5                                       | 39.2      | 32.1        | 146  | 158       | 184         |

<sup>1</sup> Not computed as base is too small.

<sup>2</sup> Not computed on base of less than 10.

efit bracket had no assets, but only 10-15 percent of those in the highest benefit bracket were without assets. On the other hand, only 4-14 percent of those with monthly benefits of \$10-19.99 had assets with a net value of \$5,000 or over, in contrast to 26-52 percent in the highest benefit bracket. Those who supplemented their income with their savings formed 14-24 percent in the lowest benefit

group and 38-44 percent in the highest benefit group.

The picture of resources presented here is a static one. It shows the income of the beneficiary groups for the 12 months studied, their consumption of assets during the survey year, their net assets at the end of that time, and their living arrangements and family composition. But life is not static for aged people, and a study made of the same beneficiaries 1, 3, or 5 years later would present a different picture. For a few, the picture would be brighter, for some it would have remained practically unchanged, but for most it would have grown less bright with time because of the loss of temporary sources of income and the increase in the cost of medical care.

The future of widows with entitled children differs from that of the aged beneficiaries. The members of the widows' households are considerably younger than are those of primary beneficiaries' households, and employment offers a more permanent solution to their economic problems. But many widows are unqualified for employment outside the home and must look forward to complete support by their children during the period of time elapsing between the cessation of benefits, when the youngest child reaches age 18, and the date when the widow attains age 65 and becomes eligible for widow's benefits.

# Administration of the Servicemen's Dependents Allowance Act of 1942

1st LIEUTENANT HARRY GROSSMAN \*

*Many aspects of the administration of allowances to dependents of men in the armed forces are closely related to operations under programs administered by the Social Security Board. The Bulletin presents this article both because of the significance of that program for social security and because many of the problems encountered by the Office of Dependency Benefits parallel those involved in establishing old-age and survivors insurance.*

SERVICE IN THE ARMED FORCES does not annul a man's moral and legal obligation to support his family and other relatives with a claim upon his earnings. Financial support for the dependents of men in the armed forces has a vital bearing on the morale, both of the fighting man and of the people back home. It was found necessary in the last war to provide for allowances for the dependents of enlisted men. The magnitude of the present war has drawn into service many men with dependents and necessitated legislation to provide for allowances which would enable the dependents of enlisted men to defray at least a part of their living expenses. This purpose was accomplished with the passage of the Servicemen's Dependents Allowance Act of 1942 on June 23, 1942. Each family allowance consists of a sum deducted from, or charged to, the soldier's pay and a sum contributed by the Government. The end of the first year indicates that the family allowance has become the nucleus of home security for the dependents of a great majority of our servicemen.

The act provides for payments, without a means test, to the persons normally dependent on the man in the service. The amounts of the allowances are determined according to a flat, fixed schedule, based on the serviceman's pay and the family relationship of the dependent to him. The Government agrees with the soldier to make a certain definite dependable provision for his wife and children and other dependent relatives while he is in service. There is no discrimination between the dependents of one soldier and the dependents of another soldier. The result is that

an amount is provided which takes care of the average case.

For men in the Army, the family allowance system is administered by the Office of Dependency Benefits in the War Department. The Office, located in Newark, N. J., administers and coordinates all functions in connection with benefits to dependents of the military and civilian personnel of the War Department, except the civil-service retirement benefits administered by the Civil Service Commission. Although the major functions of the ODB are concerned with a number of programs involving dependency benefits, administration of the Servicemen's Dependents Allowance Act is its principal job.

The organization, composed of approximately 10,000 persons under the direction of a brigadier general, receives and handles an average of more than 60,000 pieces of mail per day, and the outgoing mail averages more than 70,000 pieces, exclusive of the allowance checks. About 3½ million checks are sent out monthly, amounting to more than \$160 million, some two-thirds of which is deducted from the soldiers' pay. In addition to family allowances, the checks include allotments-of-pay, which are sums regularly deducted at the request of men in service from their pay and remitted to their dependents, or to banks or insurance companies. As of the end of May 1943, a cumulative total of 11,160,000 checks, amounting to \$675,550,000 had been issued as family allowance payments—\$296,750,000 from the soldiers' contributions and \$378,800,000 from the Government's contribution. The Government's contribution to family allowances averages about 55 percent of the total payment.

The administrative functions of the Secretary

\* War Department, Office of Dependency Benefits, Information and Public Relations Branch.

of War pertaining to family allowances, including the determination of all facts concerning the entitlement of individuals to benefits and the actual payment of benefits, were delegated to the Director of ODB. The ODB's determination of all facts is final and conclusive for all purposes, except that the Secretary of War may at any time, on the basis of new evidence or for other good cause, reconsider or modify any such determination and may waive a recovery of money erroneously paid as benefits under the act wherever he finds that such recovery would be against equity and good conscience. Unit commanders are responsible for explaining to all personnel of their commands, including all replacements, the purpose and general provisions of family allowances. To the extent of available facilities, they also provide needed assistance in the preparation of applications and ensure their prompt transmittal to the ODB. They are also responsible for seeing that all reductions in or charges against an enlisted man's pay for the family allowance are properly entered on all pertinent records and that any known change in the status of the enlisted man or any of his relatives or dependents which would affect the payment of family allowances is reported immediately to the ODB.

The applications, which are still being received on the average of 12,000 per day, are handled on a production-line basis. A basic training course is given each ODB employee, in which he learns the principles of the law under which the benefits are authorized and all the steps involved in administering the benefits. At the end of his basic training course, the new employee is assigned to his place in the production line and receives special training in his own particular job. This system, under which the employee has an understanding of the whole process of which his job is only one small part, has reduced to a minimum the margin of error. It has stepped up production, increased the employee's interest in his job, and helped the accomplishment of the ODB motto—"Get 'Em Paid."

Family allowances are paid to the dependents of enlisted men in grades 4-7, the four lowest grades. In the Army, these grades are those of private, private first class, technician fifth grade, corporal, technician fourth grade, and sergeant. In lieu of family allowances, enlisted men of the first three grades—staff sergeant, first or technical sergeant,

and master sergeant—who have dependents are entitled by law to receive Government quarters or a rental allowance. The family allowance is payable for any period of active military service on or after June 1, 1942, during the existence of any war declared by Congress and for 6 months immediately following its termination. The eligible dependents are divided into two classes. Class A includes the wife, child, and the divorced wife who has not remarried and to whom alimony is payable. Class B dependents include the parents, brothers, sisters, and grandchildren of the soldier. The terms child, grandchild, brother, and sister are limited to unmarried persons under 18 years of age, or of any age if they are incapable of self-support by reason of mental or physical defect. Class A relatives do not have to be dependent on the soldier, but Class B dependents must be dependent on him for a substantial portion of their support to be eligible for an allowance.

The deduction from, or charge to, the pay of an enlisted man is \$22 if all the dependents are either Class A or Class B; if the allowances cover dependents of both classes an additional \$5 is withheld. The amount of Government contribution is fixed by law, in accordance with the relationship of the dependent to the serviceman. The following tabulation shows the total amount of the monthly allowance, including both the soldier's and the Government's contribution, for typical cases.<sup>1</sup>

| Dependent                        | Monthly allowance | Dependent                                  | Monthly allowance |
|----------------------------------|-------------------|--|-------------------|
| Wife but no child.....           | \$50              | 1 parent.....                              | \$37              |
| Wife and—                        |                   | 1 parent and—                              |                   |
| 1 child.....                     | 62                | 1 sister, brother, or grandchild.....      | 42                |
| 2 children.....                  | 72                | 2 sisters, brothers, or grandchildren..... | 47                |
| 3 children.....                  | 82                | 3 sisters, brothers, or grandchildren..... | 52                |
| 4 children.....                  | 92                | 4 sisters, brothers, or grandchildren..... | 57                |
| 5 children.....                  | 102               | 5 sisters, brothers, or grandchildren..... | 62                |
| No wife but—                     |                   | 6 sisters, brothers, or grandchildren..... | 67                |
| 1 child.....                     | 42                | 2 parents.....                             | 47                |
| 2 children.....                  | 52                | 2 parents and—                             |                   |
| 3 children.....                  | 62                | 1 sister, brother, or grandchild.....      | 52                |
| 4 children.....                  | 72                | 2 sisters, brothers, or grandchildren..... | 57                |
| 5 children.....                  | 82                | 3 sisters, brothers, or grandchildren..... | 62                |
| Divorced wife <sup>1</sup> ..... | Up to 42          | 4 sisters, brothers, or grandchildren..... | 67                |
| Wife—                            |                   | 5 sisters, brothers, or grandchildren..... | 72                |
| No child and 1 parent.....       | 70                | No parent but—                             |                   |
| No child and 2 parents.....      | 80                | 1 sister, brother, or grandchild.....      | 27                |
| 1 child and 1 parent.....        | 82                | 2 sisters, brothers, or grandchildren..... | 32                |
| 2 children and 1 parent.....     | 92                | 3 sisters, brothers, or grandchildren..... | 37                |
| 3 children and 1 parent.....     | 102               | 4 sisters, brothers, or grandchildren..... | 42                |
| 4 children and 1 parent.....     | 112               | 5 sisters, brothers, or grandchildren..... | 47                |

<sup>1</sup> Total allowance payable to a divorced wife depends on amount of alimony and number of other dependents of the soldier, but in no case will allowance exceed the decreed alimony or \$42 per month.

<sup>1</sup> A bill (S. 1279), to broaden the eligibility conditions, to increase allowances, and to provide an initial family allowance, was passed by the Senate but not acted on by the House before Congress recessed on July 8.



In adjudicating the millions of family allowance applications, with all the possible domestic and marital entanglements that are bound to exist among such large numbers of people, the ODB has had to act as a national court of domestic relations. Its determinations have involved the laws and interpretations of the laws of all the 48 States, the Territories, and, on many occasions, almost every country in the world. The problems that have arisen offer a valid argument for the adoption of uniform marriage and divorce laws.

The first problem is the question of common-law marriage. It has been determined that, when an enlisted man has entered into a common-law marriage which is recognized as such by the State in which it was contracted, the common-law wife, if otherwise eligible, is entitled to a family allowance. This ruling has necessitated a study of the policies and laws of all States in order to determine their attitude on this issue. It has also compelled a review of the position taken in prior years by States which have changed their policies in this matter. Constant attention must be given to all current court decisions dealing with the subject. The ODB has also held that, if an enlisted man has entered into a common-law marriage and it is recognized as such, any subsequent attempted marriage does not invalidate the common-law marriage and the common-law wife receives the family allowance.

The legal subject of the recognition and validity of divorce decrees together with the collateral problems of "procedural due process" and "full faith and credit" have had repercussions in many ODB determinations. Attempts have been made by parties in interest to give a peculiar validity and interpretation to certain divorce decrees which, in fact, they did not have. Others have attempted to use the ODB as a forum in which to challenge support orders, separation agreements, and annulment proceedings. One established policy of the ODB is that, if the wife of an enlisted man has filed suit for divorce and is not seeking alimony, that fact of itself does not disqualify her for an allowance until such divorce without alimony is granted. It has also been determined that a divorced wife who has not remarried and to whom alimony in a lump sum, as well as in periodic payments, has been decreed and is still payable is entitled to family allowance to the extent of the unpaid portion of the alimony. Another

determination is that the death or divorce of the wife of an enlisted man, when there is surviving issue, will not of itself disqualify the parents of such wife from the benefits of the act.

Each case involving a divorce, a separation, or an annulment is individually considered, and the ruling in one instance is not applicable to another situation unless all the material facts are identical. This procedure has necessitated the institution of a policy of refusing to answer hypothetical questions concerning eligibility for a family allowance. Not until certified or photostatic copies of all relevant documents have been received will a determination on a particular application be made.

Under the present law, the ODB has no authority to consider the moral conduct or character of a beneficiary in determining that individual's eligibility for family allowance. The wife and children of a man in the service are entitled to a family allowance on the basis of that relationship alone. So long as a woman remains the lawful wife of a soldier in an eligible grade, she may apply for and receive an allowance whether or not the soldier acquiesces. The only alternative for the enlisted man is to secure a legal dissolution of his marital status or to achieve promotion to an ineligible grade. The compulsory allowance feature for Class A relatives has led many servicemen to seek divorces from undeserving wives. The exigencies of the service, however, have virtually frozen the marital status of most servicemen. A man's complaint that he has not seen his wife for a long time, that she has been unfaithful, that he no longer cares for her, or that she has deserted him cannot affect in any way the statutory obligation of contribution from his pay. Several suggestions have been offered and considered to remedy this situation, but no practical solution has yet been discovered.

Early in the operation of the act the question arose whether aliens, including enemy aliens and residents of foreign countries or both, would be entitled to receive a family allowance. It was determined that applications received on behalf of qualified relatives and dependents in any of the stated categories would be approved regardless of the fact that such relatives or dependents might be aliens or citizens of the United States residing in foreign countries with which trade or exchange was prohibited. However, actual payments are made only when not prohibited by

the Treasury Department's freezing orders and restrictions. In cases in which payments are at present barred, the family allowance funds may be claimed later by the beneficiaries under established fiscal procedure.

Obviously, not all applications for the family allowance can be approved for payment. Thousands of them do not meet the requirements of the law as to relationship or dependency. On the other hand, there are thousands of individuals who do in fact meet the requirements and who normally would receive the benefits provided, but whose benefit payments are delayed because of their failure to understand exactly what documentary proof must accompany the application. Every statement involving relationship and dependency which is made in an application for a family allowance must be proved by acceptable documentary evidence. This requirement sometimes causes delay in beginning payment, because so much of the documentary proof submitted is inadequate and insufficient.

Another problem has been the large number of requests for information made by various types of organizations, by employers, and by State, county, and city authorities about specific individuals or groups of individuals and the status of their family allowance applications. Various types of patriotic and public-spirited organizations have signified a desire to help relatives and dependents of men in service to secure their allowances. In order to carry out their plans, they claim they must know the status of the application. Employers have written in to ask how much certain dependents are receiving and when payments are to be made, in order that they may relate the payments to company plans for continued payments to the men in service. Various State, county, and city authorities want to know all about a particular serviceman's allowance so that they may reduce relief payments and use the information in the administration of their public

welfare funds. To comply reasonably with all these requests would require a separate staff of thousands of employees. Even further, it would delay greatly the processing of applications and the making of payments, because the case folders would be held up while the information was being obtained. Accordingly, a uniform policy has been established that the ODB is unable to give information on specific cases to anyone but the serviceman, his dependents, or his relatives.

The duplication of names and the necessity for care in communicating with the proper individuals is another administrative factor. Since many of the letters received fail to give the soldier's Army serial number, identification is difficult if not impossible, and additional time must be taken to find the proper person's records. In many instances, further correspondence is entailed.

The failure of the soldier to give the proper address of his dependents at the outset, and the failure of the dependents to notify the ODB or their local postmaster of their removal to a new address, have caused additional effort and expense in getting the checks out to dependents. The Post Office Department returns about 40,000 checks each month, an unreported change of address having prevented their delivery in most instances. The returned checks are filed in the hope that an indignant demand to know why the usual monthly check has not been delivered may furnish a clue to the proper address.

Few precedents existed to guide those who became charged with the administration of the Servicemen's Dependents Allowance Act of 1942. It became necessary to blaze a trail which has now developed into a broad path. The ODB staff, including experts in the fields of law, welfare work, accounting, insurance, and business-machine operations, are together accomplishing a governmental undertaking of the greatest magnitude and importance, and one in which every American may take just pride.



# Defense Trainees and Availability for Work

RALPH ALTMAN\*

ONE OF THE PROBLEMS which the war emergency has brought to the doorstep of State employment security agencies has been that of determining the eligibility of defense trainees for unemployment benefits. Defense training began when this country, emerging from a prolonged oversupply of labor, discovered that it was faced with labor shortages. The mushroom growth of the war's industrial demands had revealed great manpower gaps that could be filled only with the aid of a giant-sized training program. Soon both private and Government-supported courses began to meet that need through a variety of vocational courses and curricula that have been generically labeled "defense training." As this vocational training program grew, it attracted people from all situations and all walks of life. There were businessmen and students, lawyers and housewives, debutantes and salesmen—all engaged in the business of acquiring the occupational skills needed for active participation in the industrial war effort. Of course, most of the defense trainees were not and could not be unemployment compensation claimants. Many of them had never worked in covered employment or, if they had, they had not built up the necessary wage credits. In other cases, trainees continued working at their regular jobs while in training.

Some of the trainees, however, were unemployed workers who had accrued rights under unemployment compensation laws—individuals whose work history showed an attachment to the labor market. Out of this group have come the defense-trainee claimants of unemployment benefits. In many cases, these claimants undoubtedly filed their claims not only as a matter of right but also as a matter of need. Despite the fact that the courses they were attending often were tuition-free, these workers, nevertheless, had to supply their own food, clothing, and shelter while in training.

The size of this group of defense trainees who applied for and received unemployment benefits is, for lack of the necessary data, unknown. It is impossible to estimate the number beyond saying that, in these days of small claim loads, the defense-trainee claimants constitute a substantial

group. Some idea of the size of the defense-trainee group as a whole may be obtained from the following tabulation of enrollments in U. S. Office of Education—Defense Training Programs.<sup>1</sup>

| Type of course                            | Active        |               | Cumulative    |               |
|---|---------------|---------------|---------------|---------------|
|   | Feb. 28, 1942 | Feb. 28, 1943 | Feb. 28, 1942 | Feb. 28, 1943 |
| Total.....                                | 533,060       | 610,900       | 2,825,794     | 6,141,177     |
| Pre-employment.....                       | 170,551       | 136,568       | 968,551       | 2,182,214     |
| Supplementary to employment.....          | 176,528       | 170,577       | 1,047,049     | 2,157,535     |
| NYA out-of-school work program.....       | 77,844        | 164,215       | 448,217       | 806,813       |
| Engineering, science, and management..... | 108,137       | 139,540       | 361,977       | 962,615       |

For the defense trainees who have received unemployment benefits, as for all other recipients of unemployment compensation, unemployment benefits have been based on wage credits built up by previous work in covered employment. Thus unemployment benefits have not been paid to young people or housewives who have entered the labor market for the first time via defense training. Nor have they been paid to those who were formerly self-employed, or to domestic servants, farmers, Government workers, and others who had no qualifying covered employment before they began their training.

Unemployment benefit payments have also been confined to defense trainees who were "unemployed" in the weeks for which they were claiming benefits. Eligibility requirements in State unemployment compensation laws stipulate that claimants be either totally or partially unemployed; a week of total unemployment is usually defined as one in which the claimant performed no service and with respect to which no remuneration is payable to him, and partial unemployment as a week of less than full-time work in which the claimant's earnings fell below his weekly benefit amount for total unemployment. There are various reasons for the unemployment of defense-trainee claimants. Some have been discharged or laid off from their jobs and subsequently enter on their training. Some leave their work to enter a training course or to continue

\* Bureau of Employment Security, Administrative Standards Division.

<sup>1</sup> Figures do not include enrollments in non-Government-sponsored courses



a training course they have already begun. In some instances, they leave their work for other reasons or are discharged because of their training. Regardless of the reason, they are all required to meet the test of "unemployment" before they can receive unemployment benefits.<sup>2</sup>

### ***Pre-War Attitude Toward Student Availability***

The polar question about which the cases of defense trainees have revolved is the question of availability for work. This situation arises from the requirement of State laws that an individual must be available for work in order to be eligible for unemployment benefits. This provision, an effort to restrict unemployment compensation payments to persons genuinely in the labor market, requires that a claimant be ready and willing to work and that his personal conditions and circumstances permit him to take a job. The great stumbling block to the receipt of unemployment benefits by defense trainees was the pre-war attitude of the unemployment compensation agencies as to the availability of students for work. The following statement summarizes pre-war rulings.

In States where the availability requirement is interpreted to denote availability for full-time work, the inquiry, in the case of students, is generally whether the restrictions upon the hours of work resulting from school attendance are such as to make it impossible for claimant to accept full-time work and what are the conditions under which claimant is free to leave school in order to accept employment. Generally, the decisions reflect a reluctance to infer that claimant is willing to interrupt his course of study when, in order to do so, he would forfeit his tuition or lose an opportunity to finish a course looking toward an academic or professional degree. When, on the other hand, a course of training or study may be readily interrupted without financial loss and other substantial detriment and claimant declares his willingness to accept work, availability for work is readily found.<sup>3</sup>

Before Pearl Harbor, the assumption was readily made that students were not properly entitled to unemployment benefits. They were primarily interested in their own training and education. Their attachment to the labor market was at best tenuous; often it was almost imaginary. Consequently, although students who qualified

otherwise and could prove their availability for work received benefits, they were a decided minority of the student claimants. A typical statement was made by an Indiana appeal tribunal in 1938:

A student who is enrolled in a regularly established school is not in a position to accept full-time employment and is expected to devote the greater portion of his time to his studies both within and without the classroom. The fact that he would be willing to discontinue his school work upon offer of employment is not a determining factor.<sup>4</sup>

This language was echoed by a Florida appeal tribunal in 1939:

However, where an individual's status is primarily that of a student rather than an unemployed person unreservedly in the labor market, he is not considered as being in a position to accept full-time employment and is expected to devote the greater portion of his time, both within and without the classroom, to his school work. The fact that he would be willing to discontinue his school work upon an offer of employment should not be a determining factor.<sup>5</sup>

Although many of these pre-war decisions on student availability were stated in the context of academic pursuits, there was, in fact, a carry-over from these decisions to the cases of vocational and trade-school students. It took a war and a defense training program to separate vocational and academic training for the purposes of unemployment compensation eligibility.

### ***Wartime Rulings and Appealed Decisions***

It is difficult to generalize about the way the various States have handled the problem of the availability of defense trainees since the beginning of the war effort. No blanket rulings on the eligibility of this group have been issued. Instead, adjustment to the wartime situation has been met partly by adopting attitudes of leniency toward, or predispositions in favor of, the defense-trainee claimant, but mainly by refining and "re-thinking through" the general concepts of availability in order to apply them properly to the cases of defense trainees. Implementing these attitudes of leniency toward defense trainees has sometimes raised the difficulty of defining defense trainees. None but the broadest definition would seem to suffice in a total war. However, in spite

<sup>2</sup> All references in this article to State actions concerning defense trainees are, except in the case of particular statutory provisions, based on the appealed benefit decisions of State quasi-judicial tribunals. The results of initial determinations of defense trainees' claims are, therefore, reflected here only indirectly, as they are revealed in administrative appeals.

<sup>3</sup> "Issues Involved in Decisions on Disputed Claims for Unemployment Benefits," *Social Security Yearbook*, 1940, p. 38.

<sup>4</sup> Social Security Board, *Unemployment Compensation Interpretation Service—The Benefit Series*, Vol. 2, No. 3, 1021-Ind. A, p. 438. This statement reflects the Indiana statute before it was amended in 1939 to disqualify students.

<sup>5</sup> *Benefit Series*, Vol. 3, No. 4, 3079-Fla. A, p. 54.

of the difficulty of deciding satisfactorily whether or not a student in a comptometer course organized at the request of an aviation company, for example, is a defense trainee, the State employment security agencies have generally agreed that individuals enrolled in federally sponsored war training courses are defense trainees and have gone on from that point to a case-by-case description of the defense trainee.

It is the result of this case-by-case method that we are trying to capture. Although the basic generalization may readily be made that mere attendance at a defense training course will not render a claimant unavailable for work, other broad conclusions involving more detailed questions of availability are harder to draw. It is possible, however, to take a long view of the situation, selecting certain trends or patterns of decisions that are true for most of the country. For instance, it may be said that generally the availability of a defense trainee does not depend on whether the course he is attending is free and Government-sponsored or a tuition course which is privately operated. However, the following States have, in varying degrees, differentiated between the claim of a trainee in a privately operated tuition course and that of a trainee attending a free, Government-sponsored course: California, Idaho, Louisiana, Minnesota, New York, South Dakota, and Vermont. The distinction made has rested mainly on the obvious fact that individuals who have paid tuition are loath to sacrifice their investment by dropping their training to accept work. Partly, however, the distinction has been based upon the differentiation between Government-sponsored and privately operated courses, although logically it is difficult to see what difference it makes in an individual's availability for work if he attends a Government-sponsored course rather than a privately sponsored course. Not the sponsorship of the course but the other circumstances that surround the trainee will decide whether he will drop his training to accept work or take a job while in training.

It may also be said that generally the mere fact that a claimant is engaged in a full-time instead of part-time course will not make him unavailable for work. This is a broadening of pre-war rulings. It is part of the wartime tendency in the field of student eligibility to decide availability more from the standpoint of the work a claimant is actually

willing to accept and less from the standpoint of what the claims deputy thinks the claimant will be capable of accepting. Colorado, Pennsylvania, and Virginia, exceptions in this area, have distinguished between trainees attending part-time refresher courses and trainees attending full-time courses who are not able to accept work until they have completed their training. The latter group they have considered unavailable for work.

Another criterion for deciding the availability of a defense trainee has sometimes been whether he voluntarily left his work to enter a training course. In the following States, a claimant who quit suitable work to enter defense training has been held unavailable for work: Kansas, Missouri, New Mexico, and Ohio. In Idaho, Iowa, Massachusetts, New Hampshire, South Dakota, and Washington, such a voluntary leaving results in a complete disqualification for benefits for the duration of the unemployment. This disqualification is statutory and arises because the voluntary leaving is personal and not related to the work,<sup>6</sup> is without good cause attributable to the employer,<sup>7</sup> or is without good cause connected with the work.<sup>8</sup> Probably, but not certainly, persons who leave work to enter defense training have been held unavailable in Connecticut and Florida; Mississippi has taken this position only if the training is full time. In Oklahoma and Texas, these circumstances have not made a claimant unavailable, but he has had a harder time proving that he is available for work. The majority of the States, however, have ruled that the availability of a claimant who has left work to enter a training class must be decided by the rules applied to the availability of other defense trainees.<sup>9</sup>

### **Special Statutory Disqualifications**

Special statutory disqualifications for students are to be found in the laws of Alabama, Connec-

<sup>6</sup> Washington Unemployment Compensation Act, sec. 4 (c) of present law, and sec. 5 (b) of amended law, effective July 1943.

<sup>7</sup> Iowa Employment Security Act, sec. 1551.11A; Massachusetts Employment Security Law, sec. 25 (e); New Hampshire Unemployment Compensation Law, sec. 4 (a) and Regulation No. 21; South Dakota Unemployment Compensation Law, sec. 17.0830 (1), as amended this year, effective July 1943; the South Dakota statutory language is "attributable to the employer or the employment."

<sup>8</sup> Idaho Unemployment Compensation Law, sec. 4 (e).

<sup>9</sup> West Virginia Unemployment Compensation Law, art. VI, 4 (7), as amended in 1943, disqualifies totally any individual whose unemployment results from a voluntary leaving "to attend a school, college, university, or other educational institution" while in attendance or waiting to start attendance; this evidently does not affect defense trainees.



ticut, Indiana, Montana, Nebraska, Nevada, North Dakota, Ohio, and Utah. In Alabama, Montana, and Ohio, the disqualifications apply to an individual who has left work for the purpose of attending, or who is a student regularly attending, an established educational institution during the school term or is on vacation within the school term. There is no indication that these States have invoked this disqualification against the claims of defense trainees per se. The Connecticut statute bars from benefits any individual who "has left employment to attend a school, college or university as a regularly enrolled student." Presumably this provision is inapplicable to persons engaged in a short-term vocational training course. Nebraska and North Dakota disqualify students and define them as individuals registered for full attendance at, and regularly attending, an established school, college, or university or as individuals who have so attended during the most recent school term; both these States have construed these disqualifications strictly and pay benefits to defense trainees.

In Indiana the disqualification covers individuals attending a "regularly established school, college, university, hospital or training school," *"any scholastic course of an academic or curricular nature, such as, but not limited to courses in draftsmanship, chemistry, engineering and accountancy,"* or *"a training course sponsored, held or conducted by an employing unit for training workers for positions in its own plant or establishment."* The disqualification excludes attendance at "any night school, or part-time training course" or *"enrollment or attendance as a student in a training course designed and intended to train workers for skilled positions in industries engaged in the production of war materials."*<sup>10</sup> The Nevada statute clearly exempts students in night or vocational training schools from its disqualification. Utah's law not only excludes from its disqualification students in night schools, vocational, defense, or part-time training courses but also any other students who can show "to the satisfaction of the commission that he was unemployed through no fault of his own prior to enrollment in such school and that he is attending school because of lack of work and is actively seeking work and will

<sup>10</sup> The material in italics was added by amendment in 1943. Previously the appealed benefit decisions reflected the agency's reluctance to apply to defense trainees the statutory disqualification of persons attending a "training school."

quit school to accept full-time work during customary working hours or that the major portion of his wages . . . during his base year was for services performed while attending school."

### **An Appraisal of State Rulings and Appealed Decisions**

A careful study of the experience of State employment security agencies in handling the question of the availability of the defense trainee shows that generally there has been neither an expansion nor a distortion of the concepts of availability developed before this country entered the war. Instead, agencies have employed current concepts of availability as tools in handling a new situation. Necessarily, some of the tools did not fit, and some became more valuable than before because they were constantly used. One of the tools, for example, that most of the States decided did not meet the needs of the situation, was the test: Is the claimant taking a full-time course? Most States came to the conclusion that that test belonged in the sphere of academic, not vocational, training.

The tests most frequently applied are: Is the claimant willing to accept work and is he willing to quit school to accept work? These tests have, in turn, given rise to subsidiary ones: Is the claimant able and willing to change his class hours so as to be in a position to accept work? Can he quit his course in order to accept work without losing tuition or credit? Other evidentiary tests often used are: Did the claimant make an active, independent search for work? Did he work while in training? Did he refuse any offers of work? Throughout the country as a whole it seems clear that if a defense trainee is able and willing to accept work, is willing to quit school to accept suitable work, or makes an active search for work, he will be considered available for work. On the other hand, the claimant who is unable or unwilling to accept work or who will make no adjustment in, or cannot drop, his training program in order to accept a work offer will generally be held not available for work.

This statement, of course, does not imply that appealed decisions in any State conform exactly to this pattern. The statement is highly generalized inconsistencies existing not only among different States but within individual States. The distinction between the available and the unavailable defense trainees will often blur upon close examina-



tion. Other factors may and do intervene, but they do not obliterate this general pattern of decision.

In effect, the State agencies have taken a middle road. They have neither met the problem head-on as a new and unique situation warranting special ad hoc treatment; nor have they been so rigid as to force the defense trainees into the mold of student availability. Instead they have done a little of both these things. Perhaps somewhat instinctively, often without complete rationalization, the State agencies have been pursuing an indirect attack. This approach goes in one direction by recognizing the unique character of the defense trainee. It goes the other way when it insists that the assumptions which underlie student-availability discussions provide the guides for the examination of the defense trainee's availability.

An interesting perspective on the oblique method used by the State employment security agencies in adapting their thinking to the needs of defense trainees is furnished by a consideration of trends in the general field of law. One of the identifying marks of Anglo-American law has been the habit judicial bodies have of never taking a firm stand or propounding a new principle if an old one can be made to do the work. There is widespread recognition of this tendency in the courts. It is not so clearly understood that the tendency persists on the "administrative" or "quasi-judicial" side of our legal system as well. The handling of the defense-trainee problem is an excellent illustration.

In following this practice, the State agencies and appeal bodies have had to take the same risks and, possibly, to make the same errors of judgment as our courts. They have had to develop fictions—both fictions of law and fictions of fact. We have seen, for example, that it is common for State agencies to hold that a defense trainee who can change his class hours so as to be able to accept work is available for work. On its face, this seems an excellent basis for an availability ruling. In point of fact, it may often be purely hypothetical. The rush of people to take defense-training courses in 1941 and 1942 is well known. Many workers, because of inadequate facilities, had to wait for long periods before they were permitted to begin their training. Is it likely that a defense trainee who may have had to wait weeks

or even months to enter a training course will be in a position to change his class hours easily? Apparently what has happened is this: Theoretically, the trainee has this right to change his class schedule. The training authorities accede the right to him and will answer any inquiry in terms that indicate that he is permitted to change his class hours. Evidently the question is seldom raised as to the difficulty such a change will entail. Of course, this attitude flows logically from the adherence to the principle pointed out above. When this adherence produces desirable results, the necessary disregard of the facts may very well be condoned. Certainly, it justifies itself if it makes the unemployment compensation system flexible, ready without legislative amendment to make reasonable adjustments to the problems both of war and of peace.

Another significant aspect of the unemployment compensation history of the defense-trainee problem is the light it casts on post-war prospects in unemployment compensation. The economic dislocations that will be inevitable at that time may include a great shifting of workers from war industries into new peacetime occupations. Retraining will be imperative and upon a scale that may rival or exceed the war-training effort. Questions immediately arise: Will the unemployment compensation system be able to help out effectively in that situation? Will it be necessary to amend unemployment compensation laws so as to make specific provision for unemployment benefits to trainees? Our experience thus far with the defense trainees seems to point to "yes" to the first question. In answer to the second question, it would be helpful to clarify the statutory authority for payment of unemployment benefits to trainees. Of course, after the war, some of the enthusiasm and patriotism that impelled some administrators and referees to lean over backwards to help trainees get unemployment benefits will be gone. There will probably be few decisions granting benefits to post-war trainees "on grounds of public policy" or "because of the national emergency." But something in the student-availability field has been gained and will not be lost with the cessation of hostilities. A thinking job has been done that has driven a wedge clearly between the claims of academic students and the claims of vocational students. The new Indiana law cited above is a good illus-

tration of the effect of this kind of thinking.

Three examples are worthy of note in thinking of the post-war relationship between the unemployment compensation system and a retraining program. (1) There is a growing tendency in New York, Michigan, and New Jersey to use attendance at a defense-training course as a test of attachment to the labor market. Thus a claimant who refuses a referral to a defense course gives evidence tending to show unavailability. A claimant may show a return to the labor market, may prove his availability, or demonstrate that he never left the labor market by entering or applying for entrance to a defense-training course. (2) The Massachusetts Manual of Local Office Basic Operations states that claimants enrolling in one of the courses of the Vocational School Re-employment Program *by referral from the Employment Service* are available for work.

(3) As amended by the 1943 legislature, section 28 (f) of the Michigan Unemployment Compensation Law requires as a condition of eligi-

bility for benefits that a claimant shall have "when directed by the commission attended a vocational retraining program maintained by the commission or by any public agency or agencies designated by the commission." The act further provides for extended benefits under certain circumstances to such individuals. It states that an individual who is required by the commission to undergo such vocational retraining must accept suitable work if offered, "provided, however, that an individual who has enrolled in such a recognized training course shall be permitted to continue in such course and receive benefits to the end of such compensable period, if the commission finds such continuance necessary to complete such training."

These are outposts of thinking that will have a bearing on the question. They reflect a departure from a literal interpretation of availability provisions. They are the earnest of a promise that the unemployment compensation system is going to help Americans adjust to a peacetime world.

# State and Local Employees Covered by Government Retirement Systems

DOROTHY McCAMMAN\*

THE HISTORY OF organized protection against the risks of disability, old age, and premature death for employees of State and local governments in this country is marked by several distinct trends. The earliest significant legislation for public employees resulted from a recognition of the need for protection against the risks of disability and death; provisions for old-age retirement followed later. The first municipal pension fund established by law in the United States was that for New York City police in 1857. The original law provided only disability and death payments which were financed by awards, donations, and proceeds from the sale of confiscated or unclaimed property. Not until 20 years later were retirement protection and employee contributions added.

For many groups and in many localities, voluntary mutual benefit associations pointed the way to later public legislation. In 1869, the teachers of New York City founded the Mutual Life Assurance Association, which paid only lump-sum death benefits. This association was supported entirely by voluntary contributions made by members when the need arose. Sick benefits were added in 1885; by that time, regular annual dues were collected. The first retirement provisions for teachers were introduced in 1887 with the organization of the Old-Age and Disability Annuity Association in New York and Brooklyn. At first membership was voluntary, but it became compulsory in 1894 when New York City teachers obtained State legislation providing that deductions from their pay because of absence were to be turned over to the retirement fund.

The earliest plans and provisions for old-age, disability, or survivor protection for public employees were predominantly local in scope, presumably because interest could be awakened more easily in relatively small groups. As the principle of publicly sponsored protection for State and local government employees gained acceptance, sys-

tems expanded to cover wider geographical areas. A State-wide contributory plan for teachers was established in New Jersey in 1896; membership was voluntary under the original legislation but was later made compulsory for new entrants. From 1904 on, a number of States passed legislation providing for State-wide contributory systems for teachers; in most of these, membership was compulsory.

In the early stages of growth, protection was confined to special classes of public employees: teachers, policemen, firemen, and judges. The first system covering general State employees was established in 1911 by Massachusetts. Four years later, the employees of Philadelphia and Pittsburgh were covered by the earliest municipal systems combining the employees of several governmental departments.

There has been increasing acceptance of the principle that the financing of retirement and survivor protection for employees of State and local governments is a joint responsibility of the employee and the governmental unit. Although the earliest teachers' systems were supported entirely by voluntary employee contributions, systems for other occupational groups were more commonly financed at first by the governmental unit alone. Many of these noncontributory plans were supported by sporadic appropriations by the governmental unit to provide the funds needed currently. Other units cared for employees who were too old to work by means of concealed pensions—by keeping superannuated employees on the regular pay roll although they were not expected to perform any regular duties. More orderly provisions and recognition of social insurance needs are associated with the rapid growth, after 1910, of legislation calling for contributions from both the employee and the governmental unit. In many instances, the contributory legislation represented the conversion of older systems and not the creation of new ones.

Retirement systems for State and local government employees have grown at an uneven rate in

\*Bureau of Research and Statistics, Division of Coordination Studies. Thurza Brannon and Martin L. Marimont assisted in preparation of data and estimates presented.



different sections of the country and for different groups of employees. When the Social Security Act was passed in 1935, all State and local government employees were excluded from coverage of old-age and survivors insurance because of the legal problems involved in taxing State and local government pay rolls. Thus, a large proportion of employees and their families who were not protected by State or local systems were left without any protection against the loss of earnings through old age or death. The character and the extent of the benefits vary widely among the groups which have some protection under State or local plans.

The Social Security Board is responsible for evaluating the extent of the protection available to and the social security needs of persons not covered by the provisions of the Social Security Act. Among the groups for which information has been lacking are employees of State and local governments. Therefore, the possibility of obtaining data on coverage and benefits through a mail canvass was discussed with staff members of the Division of State and Local Government of the Census Bureau and the survey was undertaken by them. Questionnaires were sent to retirement systems administered by States, by all municipalities with populations of 5,000 or more, by all counties with populations of 50,000 or more, and by a sample of the smaller governmental units. The study excluded retirement systems in which employees were first covered after the end of the fiscal year 1940-41; systems under which only service-connected disability payments are made and which therefore resemble workmen's compensation rather than retirement programs; private endowment plans such as those of the Carnegie Foundation for the Advancement of Teaching; and plans which provide for the purchase of retirement annuity contracts through life insurance companies. Of the estimated 1,753 systems which were considered to fall within the scope of this study, a small portion have no formal organization but merely represent the current payment by the government of pensions to selected former employees or their survivors.

National estimates of State and local retirement coverage, benefits and beneficiaries, refunds, and contributions have been prepared jointly by the Division of Coordination Studies, Bureau of Research and Statistics of the Social Security Board, and the Division of State and Local Government

of the Bureau of the Census. An analysis of the complete results will be published by the Bureau of Research and Statistics in the near future.<sup>1</sup> In the meantime, because public attention is again focused on the groups which do not yet have social insurance protection, data on coverage of public employees under State and local government retirement systems are presented here.

### **Coverage in Relation to All State and Local Employment**

Approximately 1.5 million State and local government employees were members in January 1942 of retirement systems which were in operation at the close of the fiscal year 1940-41 (table 1).<sup>2</sup> The covered employees made up less than half of all State and local employment. The almost complete lack of protection for all employees in a number of States and for employees in certain occupations or localities in other States is concealed in the over-all coverage figure.

California, New York, and Ohio lead in covering their State and local employees. In each of these States, approximately three out of every four public employees were members of retirement systems operating at the end of the fiscal year 1940-41. At least two out of every three employees in Connecticut, Massachusetts, and Pennsylvania had protection. But in contrast to these 6 States are Idaho, with no coverage, and 7 other States which covered less than 5 percent of their State and local employees—Mississippi, Nebraska, North Carolina, Oklahoma, South Carolina, South Dakota, and Wyoming. Almost equally unprotected were the employees of Alabama, Iowa, Missouri, New Hampshire, and Oregon, where fewer than one-tenth were covered<sup>3</sup> by retirement systems. In approximately half the States, the

<sup>1</sup> Summary tabulations of operating data have been published by the Division of State and Local Government, Bureau of the Census, in *Retirement Systems for State and Local Government Employees*, April 1943, State and Local Government Special Study No. 17.

<sup>2</sup> The figures for covered employment do not include employees under the following types of programs: systems under which only service-connected disability payments are made; private endowment plans; and plans which provide for the purchase of retirement annuity contracts through life insurance companies.

<sup>3</sup> The proportion of coverage in Alabama and North Carolina has increased significantly as a result of retirement systems which came into operation after the 1940-41 fiscal year. From information now available, it is estimated that, at the close of 1942, 50 percent of all State and local employees in the United States were covered by retirement systems. The States which account for the bulk of the increase in coverage, and the estimated proportion of their public employment which was covered by the end of 1942 are: Alabama, 47 percent; Michigan, 61 percent; North Carolina, 76 percent; and Virginia, 54 percent.

employees who had no protection outnumbered the members of retirement systems more than two to one.

The tendency for the States with the largest numbers of public employees to have the highest proportionate coverage results in a marked concentration of membership in a few States. Thus New York alone accounted for one-fifth of all the

covered employment and, in combination with California, Ohio, and Pennsylvania, for almost half. The combined employment in these 4 States, however, represents less than a third of all State and local employment. The 15 States with the smallest number of government employees had 7.1 percent of all State and local employment but only 4.5 percent of the covered employment.

Table 1.—Employment and pay rolls covered by State and local government retirement systems, and proportion of school, nonschool, and permanent full-time employment covered, by State, January 1942<sup>1</sup>

[Amounts in thousands]

| State                                   | Employment |  |         | Pay rolls |                               |         | Percent of total school employment covered | Percent of total non-school employment covered | Percent of permanent full-time employment covered |
|---|------------|--|---------|-----------|-------------------------------|---------|--|--|---|
|   | Total      | Covered by retirement systems <sup>2</sup> |         | Total     | Covered by retirement systems |         |  |  |   |
|   |            | Number                                     | Percent |           | Amount                        | Percent |  |  |   |
| Total.....                              | 3,249,290  | 1,494,714                                  | 46.0    | \$386,497 | \$231,067                     | 59.8    | 57.7                                       | 38.1   | 55.3  |
| Alabama.....                            | 47,421     | 2,760                                      | 5.8     | 3,706     | 349                           | 9.4     | 0  | 12.1   | 6.7   |
| Arizona.....                            | 12,304     | 3,951                                      | 32.1    | 1,722     | 675                           | 39.2    | 69.1                                       | 6.2  | 36.0  |
| Arkansas.....                           | 32,483     | 12,769                                     | 39.3    | 2,143     | 820                           | 38.3    | 66.2                                       | 4.7  | 45.0  |
| California.....                         | 192,970    | 147,468                                    | 76.4    | 30,744    | 26,426                        | 86.0    | 100.0                                      | 64.8   | 85.2  |
| Colorado.....                           | 31,243     | 8,626                                      | 27.6    | 3,597     | 1,324                         | 36.8    | 23.0                                       | 29.6   | 31.1  |
| Connecticut.....                        | 42,728     | 29,656                                     | 69.4    | 6,035     | 4,783                         | 79.3    | 89.1                                       | 60.3   | 78.3  |
| Delaware.....                           | 7,208      | 1,065                                      | 14.8    | 844       | 185                           | 21.9    | 16.3                                       | 13.8   | 16.9  |
| District of Columbia <sup>1</sup> ..... | 15,369     | 5,700                                      | 37.1    | 2,485     | 1,367                         | 55.0    | 73.9                                       | 22.5   | 37.8  |
| Florida.....                            | 50,119     | 28,090                                     | 56.0    | 4,999     | 3,107                         | 62.2    | 72.2                                       | 46.8   | 62.4  |
| Georgia.....                            | 57,457     | 8,204                                      | 14.3    | 4,784     | 1,035                         | 21.6    | 14.6                                       | 13.9   | 16.3  |
| Idaho.....                              | 13,836     | 0  | 0       | 1,456     | 0                             | 0       | 0  | 0  | 0   |
| Illinois.....                           | 170,508    | 88,164                                     | 51.7    | 23,272    | 16,812                        | 72.2    | 76.1                                       | 37.1   | 63.7  |
| Indiana.....                            | 80,720     | 25,988                                     | 32.2    | 8,904     | 3,762                         | 42.3    | 56.2                                       | 11.5   | 37.2  |
| Iowa.....                               | 67,923     | 3,707                                      | 5.4     | 6,207     | 590                           | 9.5     | 6.3  | 4.5  | 7.1   |
| Kansas.....                             | 57,602     | 16,990                                     | 29.5    | 4,852     | 1,823                         | 37.6    | 56.0                                       | 5.2  | 39.0  |
| Kentucky.....                           | 47,794     | 22,414                                     | 46.9    | 4,201     | 1,999                         | 47.6    | 77.5                                       | 11.5   | 52.6  |
| Louisiana.....                          | 59,901     | 20,176                                     | 33.7    | 5,407     | 2,317                         | 42.9    | 66.5                                       | 7.9  | 37.9  |
| Maine.....                              | 26,747     | 13,514                                     | 50.5    | 2,048     | 1,235                         | 60.3    | 69.1                                       | 40.2   | 68.1  |
| Maryland.....                           | 39,048     | 23,600                                     | 60.4    | 4,434     | 2,735                         | 61.7    | 73.3                                       | 53.4   | 65.1  |
| Massachusetts.....                      | 116,376    | 76,443                                     | 65.7    | 15,990    | 12,001                        | 75.1    | 68.3                                       | 64.5   | 78.8  |
| Michigan.....                           | 143,792    | 68,004                                     | 47.3    | 19,259    | 11,857                        | 61.6    | 87.7                                       | 25.5   | 56.4  |
| Minnesota.....                          | 86,371     | 37,649                                     | 43.6    | 8,593     | 5,132                         | 59.7    | 41.1                                       | 45.2   | 62.5  |
| Mississippi.....                        | 42,440     | 754  | 1.8     | 2,745     | 124                           | 4.5     | 1.8  | 1.7  | 2.5   |
| Missouri.....                           | 77,897     | 4,248                                      | 5.5     | 8,257     | 711                           | 8.6     | 0  | 9.7  | 6.4   |
| Montana.....                            | 16,544     | 5,838                                      | 35.3    | 1,881     | 496                           | 26.4    | 70.7                                       | 3.8  | 41.6  |
| Nebraska.....                           | 39,219     | 1,731                                      | 4.4     | 3,038     | 284                           | 9.3     | 6.0  | 3.1  | 5.7   |
| Nevada.....                             | 4,135      | 1,002                                      | 24.2    | 559       | 174                           | 31.1    | 58.8                                       | 4.0  | 30.0  |
| New Hampshire.....                      | 18,186     | 1,436                                      | 7.9     | 1,449     | 196                           | 13.5    | 18.1                                       | 4.4  | 14.8  |
| New Jersey.....                         | 102,550    | 60,028                                     | 58.5    | 16,334    | 10,244                        | 62.7    | 80.0                                       | 46.5   | 70.5  |
| New Mexico.....                         | 12,930     | 7,435                                      | 57.5    | 1,376     | 806                           | 58.6    | 100.0                                      | 3.6  | 65.1  |
| New York.....                           | 400,997    | 303,500                                    | 75.7    | 67,684    | 59,908                        | 88.5    | 81.1                                       | 73.6   | 86.5  |
| North Carolina.....                     | 65,864     | 2,832                                      | 4.3     | 5,785     | 396                           | 6.8     | 0  | 9.4  | 4.8   |
| North Dakota.....                       | 21,068     | 7,959                                      | 37.8    | 1,346     | 559                           | 41.5    | 75.4                                       | 1.8  | 54.4  |
| Ohio.....                               | 175,459    | 128,359                                    | 73.2    | 20,633    | 15,565                        | 75.4    | 87.7                                       | 64.1   | 91.2  |
| Oklahoma.....                           | 51,155     | 1,235                                      | 2.4     | 5,099     | 149                           | 2.9     | 0  | 5.3  | 2.8   |
| Oregon.....                             | 31,588     | 2,373                                      | 7.6     | 3,516     | 454                           | 12.9    | 9.7  | 5.9  | 9.0   |
| Pennsylvania.....                       | 222,147    | 146,921                                    | 66.1    | 27,039    | 18,869                        | 69.8    | 95.9                                       | 46.6   | 88.2  |
| Rhode Island.....                       | 17,753     | 11,031                                     | 62.1    | 2,226     | 1,618                         | 72.7    | 72.9                                       | 56.9   | 71.2  |
| South Carolina.....                     | 37,043     | 1,641                                      | 4.4     | 2,971     | 187                           | 6.3     | 1.3  | 8.2  | 5.1   |
| South Dakota.....                       | 26,823     | 443  | 1.7     | 1,578     | 69                            | 4.4     | 0  | 2.6  | 2.8   |
| Tennessee.....                          | 55,627     | 8,292                                      | 14.9    | 4,572     | 1,059                         | 23.2    | 13.3                                       | 16.7   | 16.9  |
| Texas.....                              | 148,007    | 53,230                                     | 36.0    | 13,931    | 5,893                         | 42.3    | 57.4                                       | 8.4  | 41.1  |
| Utah.....                               | 19,054     | 6,288                                      | 33.0    | 1,864     | 845                           | 45.3    | 67.3                                       | 4.2  | 44.9  |
| Vermont.....                            | 11,021     | 1,168                                      | 10.6    | 848       | 113                           | 13.3    | 10.6                                       | 10.6   | 18.0  |
| Virginia.....                           | 58,447     | 20,504                                     | 35.1    | 5,160     | 1,938                         | 37.6    | 68.3                                       | 5.9  | 41.6  |
| Washington.....                         | 52,715     | 20,100                                     | 38.1    | 6,776     | 3,029                         | 44.7    | 67.1                                       | 21.7   | 44.8  |
| West Virginia.....                      | 40,520     | 18,573                                     | 45.8    | 4,128     | 2,001                         | 48.5    | 70.9                                       | 4.9  | 51.3  |
| Wisconsin.....                          | 92,011     | 32,520                                     | 35.3    | 9,181     | 4,999                         | 54.4    | 65.6                                       | 20.2   | 49.4  |
| Wyoming.....                            | 8,370      | 335  | 4.0     | 839       | 55                            | 6.6     | 1.8  | 6.3  | 4.7   |

<sup>1</sup> Estimates of total covered employment and pay rolls prepared jointly by the Division of Coordination Studies, Bureau of Research and Statistics, Social Security Board, and the Division of State and Local Government, Bureau of the Census, U. S. Department of Commerce, on basis of data collected by the Bureau of the Census. Total State and local government employment and pay rolls estimated by the Division of State and Local Government. Estimates of coverage of school and nonschool employment and of permanent full-time employment prepared by Division of Coordination Studies, on basis of information collected by Office of Education and by Division of State and Local Government.

<sup>2</sup> Covered by retirement systems in actual operation at the end of fiscal year 1940-41. Since then, systems have been set up in several States and a number of cities. On the basis of information available at present, it is estimated that approximately 50 percent of all State and local employees were covered by retirement systems at the end of 1942.

<sup>3</sup> Total represents sum of rounded amounts.

<sup>4</sup> Data on coverage include only the teaching staffs, police, and fire department employees; other types of governmental employees are covered by the Federal civil-service retirement system.



The combined covered employment of the 25 States with the fewest members of retirement systems represented only 6 percent of all covered employment.

*Type of employee covered.*—Retirement systems cover a higher proportion of employment in public educational systems—58 percent—than in nonschool employment as a whole—38 percent.<sup>4</sup> This fact does not mean, however, that certain occupations in the nonschool group, primarily those of policemen and firemen, are not protected as well as or better than teaching. Although teachers have pioneered in the field of organized retirement for State and local employees, it has long been recognized that public servants in hazardous occupations should be rewarded for their years of service by a pension. Originally, retirement provision for policemen and firemen was frequently in the form of a concealed pension; this practice with respect to policemen and firemen is relatively uncommon today except in small localities where, for example, a policeman past retirement age may be kept on the pay roll for occasional duty at school crossings.

In the present study it has been impossible to determine on a Nation-wide basis the relative number of policemen and firemen who are members of retirement systems because of the frequency with which these occupations are covered by systems including other occupations as well. But inasmuch as systems which limit their membership to policemen or firemen, or both, covered 52 percent of the estimated 299,000 employees of police and fire departments in the United States, it is probable that the addition of policemen and firemen who are members of other types of systems would raise this proportion above the 58 percent found for school employees.

Nonschool employees other than policemen and firemen obviously have much less protection. Again it is impossible to determine the exact proportion because of the existence of systems which combine policemen and firemen with other employees. There are, however, approximately

1,636,000 State and local nonschool employees in departments other than police and fire. The number of nonschool employees who are members of retirement systems, excluding those systems which are limited to employees of police and fire departments, is slightly less than 580,000. Even if it were assumed that this coverage figure did not include any policemen or firemen, not more than 35 percent of the other nonschool employment would be covered.

Alabama, Idaho, Missouri, North Carolina, Oklahoma, and South Dakota had no retirement systems for school employees in operation in 1940-41. In a dozen other States less than one-third of such employment was covered. California and New Mexico covered all their public education employees, and Connecticut, Michigan, Ohio, and Pennsylvania covered almost nine-tenths.

The coverage of nonschool employment was much greater in New York than in any other State; three out of every four employees were covered. In California, Massachusetts, and Ohio, the proportion was almost two out of three. Although all States except Idaho covered some nonschool employees, 14 States covered fewer than one-twentieth. All but 13 States covered less than a third of the nonschool employees.

Only 5 States, excluding the 5 which had no coverage for school employees, covered a higher proportion of their nonschool than of their school employment. In each of the 6 States which ranked highest in over-all coverage, a higher proportion of school than of nonschool employees were members of retirement systems.

On the other hand, the concentration of coverage in a few States is greater for nonschool employment. New York alone had approximately three-tenths of all nonschool covered employment, and California, Ohio, and Pennsylvania accounted for another three-tenths. These 4 States also had the largest numbers of covered school employment but, in this instance, they comprised only four-tenths of the total. The 25 States in which the combined covered employment amounted to only 6 percent of the United States total had 7 percent of the school coverage and only 5 percent of the nonschool, despite the fact that 5 of them had no retirement systems for school employees.

*Nonschool coverage by type and size of governmental unit.*—The relationship of coverage to the employing governmental unit is obscured by the

<sup>4</sup> Public education employment includes the personnel of State universities, colleges, and normal schools. Clerical and custodial employees of all public schools are included also. Practice with respect to which types of school employees are eligible for membership in public retirement systems varies widely from State to State. A few systems include both school and nonschool employees. The number of school employees in such systems has been estimated and added to the number who are members of systems limited to school employees, to obtain the proportion of public education employment which is covered.



existence of State-administered systems which include in their membership the employees of local governments of all types and sizes. Systems of this kind were in existence in 35 States in 1940-41, but most of them were for school employees. By restricting the present analysis to public employees other than school employees, a distribution of total employment and covered employment by size and type of governmental unit can be made for the 36 States listed in table 2. The resulting figures cannot be considered as representative of the United States, however. In the first place, California, New York, and Ohio, which rank highest in the proportion of all employees covered, are

**Table 2.—Covered nonschool employment as percent of total nonschool employment, by type and size of employing governmental unit, January 1942**

| State <sup>1</sup>    | All governmental units <sup>2</sup> | State governments | Municipal governments        |                 |                                | Counties |
|-----------------------|-------------------------------------|-------------------|------------------------------|-----------------|--------------------------------|----------|
|                       |                                     |                   | 500,000 or more <sup>3</sup> | 100,000-499,999 | Less than 100,000 <sup>4</sup> |          |
| Total, 36 States..... | 24.5                                | 27.5              | 74.2                         | 51.2            | 13.3                           | 6.2      |
| Alabama.....          | 12.1                                | 0                 | —                            | 69.6            | 21.8                           | 5.9      |
| Arizona.....          | 6.2                                 | 0                 | —                            | —               | 26.8                           | 0        |
| Arkansas.....         | 4.7                                 | .1                | —                            | —               | 23.3                           | 0        |
| Colorado.....         | 29.6                                | 71.4              | —                            | 19.2            | 21.5                           | 0        |
| Connecticut.....      | 60.3                                | 94.9              | —                            | 87.7            | 15.4                           | 0        |
| Delaware.....         | 13.8                                | 12.2              | —                            | 27.3            | 0                              | 0        |
| Florida.....          | 46.8                                | 96.0              | —                            | 62.2            | 11.1                           | 0        |
| Georgia.....          | 13.9                                | (5)               | —                            | 63.4            | 6.1                            | 18.1     |
| Indiana.....          | 11.5                                | 4.3               | —                            | 37.4            | 15.8                           | 0        |
| Iowa.....             | 4.5                                 | 0                 | —                            | 36.4            | 8.5                            | 0        |
| Kansas.....           | 5.2                                 | 0                 | —                            | 37.1            | 6.5                            | 0        |
| Kentucky.....         | 11.5                                | 0                 | —                            | 22.0            | 28.2                           | 0        |
| Louisiana.....        | 7.9                                 | 5.8               | —                            | 24.9            | 6.1                            | 0        |
| Maine.....            | 40.2                                | 100.0             | —                            | —               | 6.8                            | 0        |
| Maryland.....         | 53.4                                | 59.9              | 68.3                         | —               | 9.0                            | 0        |
| Massachusetts.....    | 64.5                                | 88.8              | 84.3                         | 77.8            | 46.3                           | 36.8     |
| Michigan.....         | 25.5                                | 3.1               | 76.4                         | 70.9            | 12.8                           | 0        |
| Mississippi.....      | 1.7                                 | 0                 | —                            | —               | 5.8                            | 0        |
| Missouri.....         | 9.7                                 | 0                 | 28.6                         | 22.2            | 3.1                            | 0        |
| Montana.....          | 3.8                                 | 0                 | —                            | —               | 15.5                           | 0        |
| Nebraska.....         | 5.1                                 | 0                 | —                            | 27.9            | 1.2                            | 0        |
| Nevada.....           | 4.0                                 | 0                 | —                            | —               | 14.9                           | 0        |
| New Mexico.....       | 3.6                                 | 5.8               | —                            | —               | 0                              | 0        |
| North Dakota.....     | 1.8                                 | 0                 | —                            | —               | 3.1                            | 0        |
| Oklahoma.....         | 5.3                                 | 0                 | —                            | 28.7            | 8.1                            | 0        |
| Oregon.....           | 5.9                                 | 0                 | —                            | 37.2            | 0                              | .9       |
| Pennsylvania.....     | 46.6                                | 65.9              | 82.4                         | 46.5            | 6.3                            | 34.1     |
| Rhode Island.....     | 56.9                                | 74.5              | —                            | 81.2            | 17.4                           | —        |
| South Dakota.....     | 2.6                                 | 0                 | —                            | —               | 3.9                            | 0        |
| Tennessee.....        | 16.7                                | .6                | —                            | 45.8            | 8.9                            | 0        |
| Texas.....            | 8.4                                 | 0                 | —                            | 45.8            | 8.7                            | 0        |
| Vermont.....          | 10.6                                | .9                | —                            | —               | 30.9                           | 0        |
| Virginia.....         | 5.9                                 | .7                | —                            | 25.5            | 8.0                            | 0        |
| Washington.....       | 21.7                                | .7                | —                            | 84.6            | 7.1                            | 0        |
| West Virginia.....    | 4.9                                 | 2.7               | —                            | —               | 13.4                           | 0        |
| Wisconsin.....        | 20.2                                | 1.2               | 93.7                         | —               | 7.1                            | 27.4     |

<sup>1</sup> Excludes 11 States with State-administered retirement systems offering membership to employees of local governments of all types and sizes; Idaho, which has no coverage; and Washington, D. C., for which an analysis by size of unit would be meaningless.

<sup>2</sup> Total nonschool employment includes special districts in which there was no coverage.

<sup>3</sup> Includes 2 cities with populations over 1 million—Detroit with a coverage proportion of 76.4 percent and Philadelphia with 83.1 percent. Of the employees of cities between 500,000 and 1,000,000 population, 69.3 percent are covered.

<sup>4</sup> Includes townships.

<sup>5</sup> Less than 0.05 percent.

excluded because their State-administered systems for local nonschool employees made comparison impossible.<sup>5</sup> Only 25 percent of all nonschool employment in the 36 States was covered; the corresponding proportion for the United States was 38 percent. Moreover, the very fact that the States excluded from this analysis have State-administered systems for local employees may indicate a more complete coverage for their local employees than exists in the States on which the analysis is based.

Only 28 percent of the employees of the 36 State governments were covered by public retirement systems. In Connecticut, Florida, Maine, and Massachusetts, however, approximately 90 percent had protection. In Colorado, Maryland, Pennsylvania, and Rhode Island, between 60 and 75 percent were covered. But in the remaining 28 States, only Delaware covered as many as 12 percent of its State employees, and 15 States reported no coverage for this group. In States which have covered only a small proportion of their employees, the systems have frequently been limited to judges and State police.

The proportion of municipal employees covered in the 36 States bears a direct relationship to the size of city: 74 percent in cities of 500,000 or more, 51 percent in cities of 100,000-500,000, and only 13 percent in cities of less than 100,000. A low proportion of coverage by locally administered systems is to be expected in small governmental units, where the number of employees may be too small to permit the operation of a financially sound system. When no State-administered system which covers local units exists, a small locality occasionally protects its employees by the purchase of annuities through private insurance companies—a type of protection not included in the present study.

**Covered pay roll.**—Of the \$386.5 million pay roll for all State and local government employees in January 1942, 60 percent was paid to members of public retirement systems (table 1). The relatively high average pay for covered employees—\$155 in contrast to \$119 per month for all State and local government employees—reflects the exclusion from many retirement systems of part-

<sup>5</sup> For the same reason, Illinois, Minnesota, New Hampshire, New Jersey, North Carolina, South Carolina, Utah, and Wyoming were excluded. Idaho was excluded because of the absence of any coverage and Washington, D. C., because the present analysis by size of unit would be meaningless.

time and temporary workers as well as the more frequent inclusion of the higher-paid public employees—teachers, policemen, and firemen.

In every State but Arkansas and Montana, the proportion of the pay roll covered was higher than the proportion of employment covered. But the proportionate differences were much greater for the States which include only a small portion of their government employees in retirement systems than for those with wider coverage. This results from the fact that almost all the covered employees in the former group of States are teachers, policemen, and firemen. In the 7 States which covered less than 5 percent of their State and local employees (excluding Idaho which had no covered employment), the total covered employment amounted to only 3.3 percent of all employment while the covered pay roll was 5.7 percent of the total pay roll. The average monthly pay of \$141 for covered employees in these 7 States was 74 percent higher than the average of \$81 for all employment. In the 6 States which covered two-thirds or more of their public employees, the 72 percent of all employees who were covered received 82 percent of the pay roll; their average monthly pay of \$165 was 13 percent higher than the average of \$146 for all public employees in these States.

#### ***Coverage in Relation to Full-Time Permanent State and Local Employment***

Membership in many State and local government retirement systems is restricted to employees who are classified as permanent and who work on a full-time basis. In January 1942 there were approximately 2.7 million such employees in the United States. Employment covered by systems which were in operation at the end of the fiscal year 1940-41 represents about 55 percent of this group (table 1).<sup>6</sup>

Ohio led in the proportion of permanent full-time employment covered—91 percent—and Pennsylvania followed closely with 88 percent. New York and California ranked third and fourth, respectively, with 86 and 85 percent; these are the 2 States which covered the highest proportion of all their State and local employees. In Connecticut, Maine, Maryland, Massachusetts,

<sup>6</sup> Several States include some part-time or temporary employees in certain systems; 5,160 such employees were omitted from the tabulations on which this percentage was computed. A few of the remaining 1,489,554 covered employees may be part-time or temporary, but they probably are not sufficiently numerous to affect the analysis.

New Jersey, New Mexico, and Rhode Island, at least 65 percent of the permanent full-time employees were protected.

Even when coverage is related to permanent full-time employment, a serious lack of protection is evident in many States. Of the 7 which covered less than 5 percent of their State and local employees, only 1 covered as many as 6 percent of the full-time permanent workers. In all, 19 States provided retirement protection for less than one-third of the permanent employees working full time.

In small localities, many departments are partly or wholly manned by part-time workers; large cities, on the other hand, employ most of their personnel full time. Consequently, the exclusion of part-time and temporary workers in determining the proportion of employees who have protection affects the smaller localities more than the large governmental units. Again the analysis must be limited to nonschool employment in the 36 States shown in table 2. Whereas the coverage proportion for all units regardless of size in these States increased from 25 percent, when computed on the basis of all employment, to 33 percent when based on permanent full-time employment only, the proportion for cities of less than 25,000 population more than doubled—from 5.9 to 13.2 percent:

| Type and size of governmental unit | Percent of all nonschool employment covered | Percent of permanent full-time nonschool employment covered |
|------------------------------------|---|---|
| Total, 36 states.....              | 24.5  | 33.3  |
| State governments.....             | 27.5  | 32.0  |
| Municipal governments:             |   |   |
| 1,000,000 or more.....             | 79.5  | 87.0  |
| 500,000-999,999.....               | 69.3  | 71.8  |
| 100,000-499,999.....               | 51.2  | 56.1  |
| 25,000-99,999.....                 | 41.8  | 46.7  |
| Less than 25,000.....              | 5.9   | 13.2  |
| Counties.....                      | 6.2   | 8.0   |
| Townships <sup>1</sup> .....       | .1  | .5  |

<sup>1</sup> New England townships are included with municipalities.

#### ***Coverage in Relation to Employment and Pay Rolls in Departments Maintaining Retirement Systems***

Almost 1.9 million (57 percent) of all State and local government employees in January 1942 were employed by departments which maintained



retirement systems.<sup>7</sup> Four-fifths of them were members of retirement systems. That one-fifth of employment was not covered, even when there was a system available, may be accounted for by various factors. Part-time and temporary workers and employees who are beyond a specified age at the time of entering government service or at the date of establishment of a system are usually not eligible for membership. A retirement system may be designed to cover only a given class of workers in a department—only teachers in a department of education, for instance, or only uniformed policemen in a police department. Finally, employees already in service at the date of establishment of the retirement system are usually permitted to decline membership if they desire.

The departments which maintain retirement systems pay considerably higher salaries than do State and local governments as a whole—\$146 per month in January 1942 in contrast to \$119. An even greater contrast is apparent between the average salary of employees who are members of retirement systems and that of their fellow workers in the same department. The covered employees averaged \$155 in January 1942 and the noncovered employees, \$112. The difference illustrates the effect of the exclusion from membership in most systems of part-time workers and of such occupations as clerk and janitor in many of the systems maintained by education, police, and fire departments.

*Type of employee and type and size of governmental unit.*—Retirement systems maintained by fire departments covered 98 percent of all employment in the department—a higher proportion than in systems for other types of employees. Although part-time and temporary workers and the clerical help of fire departments are frequently excluded from membership in the retirement systems, the proportion of such employees is probably very low in fire departments.<sup>8</sup> The same situation holds for police departments, although the latter have more desk workers; the police departments with retirement systems covered 93 percent of their employees. Systems covering both police

and fire departments gave protection to 89 percent of the departmental employees. School departments which maintained or participated in retirement systems for school employees covered 82 percent.

The systems covering general employees have been classified into three types for this study: those which cover all classes of employees; those which cover all classes except school; and those which cover all classes except school, police, and fire department employees.

Of these three types, the type which includes school employees, policemen, and firemen covered the highest proportion of the department—78 percent—and the type which excludes these three classes of employees, the lowest—73 percent. Apparently, however, this difference is due not so much to the type of employees included as to the type and size of governmental units which maintain such systems. At a given governmental level, there is no consistent relationship in the proportion of coverage under these three classifications.

In general, noncontributory systems covered a higher proportion of the total employment of the department—91 percent—than did contributory systems—80 percent. The exceptions were systems for fire department employees and for the "other" group (public service employees, judges, and the like).

### *Characteristics of Retirement Systems and of Covered Employment*

*Contributory—noncontributory.*—Of the 1,753 retirement systems operating in the fiscal year 1940–41 for State and local government employees, almost 400, or 22 percent had contributions from the government only (table 3). These are small systems, however, and account for less than 5 percent of the total covered employment in January 1942. Some of the noncontributory systems are closed to new membership as a result of a superseding contributory system; many have no formal organization but merely represent the current payment by the government of pensions to selected former employees or their survivors.

Policemen and firemen who were covered by separate systems or who were combined in a single system and employees classified as "other" (predominantly judges in noncontributory systems) formed a higher proportion of the membership of

<sup>7</sup> For State-administered systems which cover local school employees, for example, "employment in the department" represents total school employment in all localities which are included in the State-administered system.

<sup>8</sup> Systems which cover only volunteer firemen and usually pay only service-connected disability or death benefits are not included in this survey. However, a few retirement systems covering both volunteer and paid members of the fire department (representing 612 members) are included.



noncontributory systems than of contributory while school employees constituted a smaller proportion.

Striking differences between contributory and noncontributory systems show up in the distributions by type and size of governmental unit.

**Table 3.—Number of State and local government retirement systems and number of covered employees, by type of employee covered and by administering governmental unit, January 1942**

| Administering governmental unit        | Total     | Type of employee covered                  |   |   |                             |                             |                           |   |                          |
|--|-----------|---|---|---|-----------------------------|-----------------------------|---------------------------|---|--------------------------|
|  |           | General systems                           |   |   | School dept. employees only | Police dept. employees only | Fire dept. employees only | Police and fire dept. employees in combined systems | Other types of employees |
|  |           | Including school, police, and fire depts. | Including police and fire but not school depts. | Excluding school, police, and fire depts. |                             |                             |                           |   |                          |
| Number of systems                      |           |   |   |   |                             |                             |                           |   |                          |
| Total.....                             | 1,753     | 10  | 101   | 96  | 112                         | 529                         | 1,560                     | 228   | 117                      |
| Contributory.....                      | 1,360     | 9   | 93  | 86  | 81                          | 417                         | 413                       | 212   | 49                       |
| Noncontributory.....                   | 393       | 1   | 8   | 10  | 31                          | 112                         | 147                       | 16  | 68                       |
| State:                                 |           |   |   |   |                             |                             |                           |   |                          |
| For State employees only.....          | 65        | 1   | 6   | 3   | 5                           | 13                          | 0                         | 0   | 37                       |
| Contributory.....                      | 23        | 1   | 3   | 3   | 0                           | 10                          | 0                         | 0   | 6                        |
| Noncontributory.....                   | 42        | 0   | 3   | 0   | 5                           | 3                           | 0                         | 0   | 31                       |
| For local employees only.....          | 7         | 1   | 0   | 1   | 1                           | 0                           | 3                         | 0   | 1                        |
| Contributory.....                      | 7         | 1   | 0   | 1   | 1                           | 0                           | 3                         | 0   | 1                        |
| Noncontributory.....                   | 0         | 0   | 0   | 0   | 0                           | 0                           | 0                         | 0   | 0                        |
| For State and local employees.....     | 45        | 0   | 3   | 1   | 34                          | 3                           | 0                         | 0   | 4                        |
| Contributory.....                      | 37        | 0   | 3   | 1   | 29                          | 3                           | 0                         | 0   | 1                        |
| Noncontributory.....                   | 8         | 0   | 0   | 0   | 5                           | 0                           | 0                         | 0   | 3                        |
| Municipality:                          |           |   |   |   |                             |                             |                           |   |                          |
| 1,000,000 or more.....                 | 37        | 0   | 0   | 6   | 8                           | 6                           | 5                         | 1   | 11                       |
| Contributory.....                      | 30        | 0   | 0   | 5   | 6                           | 5                           | 4                         | 1   | 9                        |
| Noncontributory.....                   | 7         | 0   | 0   | 1   | 2                           | 1                           | 1                         | 0   | 2                        |
| 500,000-999,999.....                   | 26        | 3   | 0   | 4   | 3                           | 7                           | 8                         | 1   | 0                        |
| Contributory.....                      | 18        | 3   | 0   | 2   | 2                           | 5                           | 5                         | 1   | 0                        |
| Noncontributory.....                   | 8         | 0   | 0   | 2   | 1                           | 2                           | 3                         | 0   | 0                        |
| 100,000-499,999.....                   | 227       | 2   | 9   | 22  | 26                          | 60                          | 63                        | 17  | 26                       |
| Contributory.....                      | 154       | 2   | 8   | 19  | 18                          | 39                          | 45                        | 15  | 8                        |
| Noncontributory.....                   | 73        | 0   | 1   | 3   | 8                           | 21                          | 18                        | 2   | 20                       |
| Less than 100,000 <sup>1</sup> .....   | 1,283     | 3   | 66  | 44  | 27                          | 428                         | 1,481                     | 209   | 25                       |
| Contributory.....                      | 1,037     | 2   | 62  | 42  | 20                          | 343                         | 356                       | 195   | 17                       |
| Noncontributory.....                   | 246       | 1   | 4   | 2   | 7                           | 85                          | 125                       | 14  | 8                        |
| County.....                            | 63        | 0   | 17  | 15  | 8                           | 12                          | 0                         | 0   | 11                       |
| Contributory.....                      | 54        | 0   | 17  | 13  | 5                           | 12                          | 0                         | 0   | 7                        |
| Noncontributory.....                   | 9         | 0   | 0   | 2   | 3                           | 0                           | 0                         | 0   | 4                        |
| Number of employees covered by systems |           |   |   |   |                             |                             |                           |   |                          |
| Total.....                             | 1,494,714 | 55,580                                    | 225,529   | 290,701                                   | 740,781                     | 73,859                      | 1,511,995                 | 30,689  | 25,580                   |
| Contributory.....                      | 1,427,080 | 54,945                                    | 206,932   | 284,619                                   | 716,131                     | 67,968                      | 1,459,695                 | 28,454  | 22,336                   |
| Noncontributory.....                   | 67,634    | 635                                       | 18,597  | 6,082                                     | 24,650                      | 5,891                       | 6,300                     | 2,235   | 3,244                    |
| State:                                 |           |   |   |   |                             |                             |                           |   |                          |
| For State employees only.....          | 109,906   | 4,019                                     | 55,326  | 41,647                                    | 1,465                       | 3,552                       | 0                         | 0   | 3,897                    |
| Contributory.....                      | 90,929    | 4,019                                     | 38,854  | 41,647                                    | 0                           | 3,335                       | 0                         | 0   | 3,074                    |
| Noncontributory.....                   | 18,977    | 0   | 16,472  | 0   | 1,465                       | 217                         | 0                         | 0   | 823                      |
| For local employees only.....          | 9,441     | 6,650                                     | 0   | 1,550                                     | 323                         | 0                           | 589                       | 0   | 329                      |
| Contributory.....                      | 9,441     | 6,650                                     | 0   | 1,550                                     | 323                         | 0                           | 589                       | 0   | 329                      |
| Noncontributory.....                   | 0         | 0   | 0   | 0   | 0                           | 0                           | 0                         | 0   | 0                        |
| For State and local employees.....     | 814,907   | 0   | 137,023   | 55,200                                    | 619,085                     | 3,216                       | 0                         | 0   | 383                      |
| Contributory.....                      | 798,776   | 0   | 137,023   | 55,200                                    | 603,095                     | 3,216                       | 0                         | 0   | 242                      |
| Noncontributory.....                   | 16,131    | 0   | 0   | 0   | 15,990                      | 0                           | 0                         | 0   | 141                      |
| Municipality:                          |           |   |   |   |                             |                             |                           |   |                          |
| 1,000,000 or more.....                 | 271,727   | 0   | 0   | 120,920                                   | 79,209                      | 33,493                      | 17,976                    | 4,172   | 15,987                   |
| Contributory.....                      | 271,370   | 0   | 0   | 120,920                                   | 78,852                      | 33,493                      | 17,976                    | 4,172   | 15,987                   |
| Noncontributory.....                   | 357       | 0   | 0   | 0   | 357                         | 0                           | 0                         | 0   | 0                        |
| 500,000-999,999.....                   | 64,024    | 37,937                                    | 0   | 7,578                                     | 5,830                       | 6,158                       | 4,051                     | 2,470   | 0                        |
| Contributory.....                      | 64,024    | 37,937                                    | 0   | 7,578                                     | 5,830                       | 6,158                       | 4,051                     | 2,470   | 0                        |
| Noncontributory.....                   | 0         | 0   | 0   | 0   | 0                           | 0                           | 0                         | 0   | 0                        |
| 100,000-499,999.....                   | 113,323   | 5,977                                     | 9,820   | 31,272                                    | 25,136                      | 14,927                      | 14,912                    | 9,602   | 1,677                    |
| Contributory.....                      | 96,763    | 5,977                                     | 8,820   | 27,176                                    | 21,221                      | 11,464                      | 13,119                    | 8,383   | 603                      |
| Noncontributory.....                   | 16,560    | 0   | 1,000   | 4,096                                     | 3,915                       | 3,463                       | 1,793                     | 1,219   | 1,074                    |
| Less than 100,000 <sup>2</sup> .....   | 70,504    | 997                                       | 12,298  | 9,192                                     | 6,591                       | 11,323                      | 14,467                    | 14,445  | 1,191                    |
| Contributory.....                      | 58,503    | 362                                       | 11,173  | 8,392                                     | 5,134                       | 9,112                       | 9,960                     | 13,429  | 941                      |
| Noncontributory.....                   | 12,001    | 635                                       | 1,125   | 800                                       | 1,457                       | 2,211                       | 4,507                     | 1,016   | 250                      |
| County.....                            | 40,882    | 0   | 11,062  | 23,342                                    | 3,142                       | 1,190                       | 0                         | 0   | 2,146                    |
| Contributory.....                      | 37,274    | 0   | 11,062  | 22,156                                    | 3,142                       | 1,190                       | 0                         | 0   | 1,190                    |
| Noncontributory.....                   | 3,608     | 0   | 0   | 1,186                                     | 1,466                       | 0                           | 0                         | 0   | 956                      |

<sup>1</sup> Includes 59 noncontributory systems which are paying benefits but which do not cover any active employees.

<sup>2</sup> Includes 38 systems in which volunteer as well as paid members of the fire department are covered; 33 are contributory systems; 5, noncontributory.

<sup>3</sup> Includes townships.

<sup>4</sup> Includes 612 firemen who are members of systems which cover volunteers as well as paid members of the fire department; 548 are in contributory systems, 64 in noncontributory.

Eleven percent of the noncontributory systems but only 1.7 percent of the contributory were State-administered for State employees only; systems of this type accounted for 28 percent of the employment covered by noncontributory systems but only 6.4 percent of the employment covered by contributory systems. Members of State-administered systems which cover both State and local employment made up 57 percent of the members of all contributory systems but only 24 percent of the employees covered by noncontributory systems. Of the employees covered by noncontributory systems, less than 1 percent were in systems maintained by cities of 500,000 or more population but 42 percent were in cities of less than 500,000. In contrast, 24 percent of the membership of contributory systems was in cities of 500,000 or more and only 11 percent in cities of less than 500,000.

*Type of employee covered and type and size of governmental unit.*—One out of every two covered employees belonged to a State-administered system which includes both State and local employees. The membership of all State-administered systems, including those designed for State employees only or for local employees only, amounted to 63 percent of the total covered employment. Membership in systems administered by cities with populations of more than a million accounted for another 18 percent. Thus, as few as 154 systems, or one-tenth of all systems for State and local government employees, contained more than four-fifths of all covered employees.

Half of all covered employment was public school employment covered by school department systems. General systems which exclude teachers, policemen, and firemen comprised 19 percent of the coverage, and those which include policemen and firemen but not teachers accounted for 15 percent. Systems for police and fire department employees contained only 10 percent of the total membership; these systems are numerous, however, particularly in small localities. Three-fourths of the 1,753 systems included in this study covered only police and/or fire employees; of these, 85 percent were in cities with populations of less than 100,000.

The membership of 53 contributory retirement systems accounted for three-fourths of all State and local employment covered by retirement systems. Of these systems, 29 are State-adminis-

tered for State and local school employees. Their membership alone—which averaged 21,000 per system—constituted four-tenths of covered employment. The remaining 24 systems comprise 6 systems for general State employees; 4 State-administered systems for general State and local employees; 5 general systems and 6 school systems administered by cities of more than a million population; and 3 general systems administered by cities of 500,000 to a million population.

*Relationship between type of employee covered and type and size of governmental unit.*—Of the members of school employee systems, 83 percent belonged to State-administered systems for State and local employees; 11 percent were in systems administered by cities of more than a million; while only 6 percent were included in governmental units of all other types and sizes.

Systems for policemen and firemen, on the other hand, are overwhelmingly local in their administration. All but 5 percent of the members of police and fire systems were under local administration, and one-fourth were in systems administered by cities with less than 100,000 population. On the plea of the special risks of these occupations, policemen and firemen were protected early in the history of public retirement systems; their existing local retirement plans are frequently maintained even when other types of employees in the same city join a State-administered system.

Approximately three-fifths of the members of systems which cover all types of employees except teachers were in State-administered systems for State and local employees. More than two-thirds of all members of general systems which include teachers, police, and firemen were concentrated in the cities with populations between 500,000 and a million.

An examination of the type of employee covered by systems administered at the various governmental levels reveals that more than nine-tenths of the members covered by State-administered systems for State employees only were in systems classified as general. General systems also accounted for almost nine-tenths of the coverage under State-administered systems for local employees only. At the level of State administration for State and local employees, three-fourths of the covered employees were in school department systems and practically all the others were in general systems.

Of the members of retirement systems administered by the cities of more than a million, nearly half were in general systems which exclude teachers, policemen, and firemen; three-tenths were in systems for public school employees; and one-fifth were in police and fire department systems.

Membership in systems administered by cities between 500,000 and a million is concentrated in general systems; 59 percent of the coverage was in general systems which include school, police, and fire department employees, and 12 percent was in general systems which exclude these occupations. General systems predominate at the county level of administration also, with a membership representing 84 percent of all county systems. At the levels of local administration for employees in cities of less than 500,000 population, police and fire department systems gain in importance. More than one-third of the members of systems in cities of 100,000-500,000 population and well over half of the employees covered by cities under 100,000 were in systems which limit their membership to employees of police departments, of fire departments, or both.

#### Members Leaving Systems and Receiving Refunds

During 1940-41, more than 82,000 former members of State and local contributory retirement systems withdrew their contributions on leaving the systems (table 4). The present study provides no measure of the loss of coverage under noncontributory systems. Even for contributory systems, the number receiving a refund of contributions represents an underestimate of the number who lost their retirement protection inasmuch as a few systems do not provide for refunds and others do not make refunds to employees who are discharged with prejudice or who have contributed for less than a stated number of years. Many of the systems which make refunds provide for redeposit of contributions if the individual reenters the system.

Three-fifths of the persons withdrawing their contributions were leaving State-administered systems covering State and local employees; almost another fifth withdrew from other State systems. The most frequent withdrawals by type of employee were from general systems—53 percent of all withdrawals—and from school systems—43 percent.

**Table 4.—State and local government employees receiving refunds of contributions on withdrawal from contributory retirement systems during fiscal year 1940-41, by type of employee covered and by administering governmental unit**

| Administering governmental unit             | Total  |  | Number receiving refunds as percent of covered employment in January 1942 in contributory systems for— |                        |                                 |                          |
|---|--------|--|--|------------------------|---------------------------------|--------------------------|
|   | Number | As percent of coverage in January 1942 | General employees  | School dept. employees | Police and fire dept. employees | Other types of employees |
| Total:                                      |        |  |  |                        |                                 |                          |
| Number.....                                 | 82,440 |  | 43,913   | 35,279                 | 783                             | 2,474                    |
| As percent of coverage in January 1942..... |        | 5.8                                    | 8.0  | 4.9                    | .6                              | 11.1                     |
| State:                                      |        |  |  |                        |                                 |                          |
| For State employees only.....               | 14,135 | 15.5                                   | 16.1   |                        | 1.2                             | 15.2                     |
| For local employees only.....               | 879    | 9.3                                    | 10.1   | 5.9                    | .8                              | 7.3                      |
| For State and local employees.....          | 49,463 | 6.2                                    | 8.0  | 5.6                    | 3.7                             | 1.7                      |
| Municipality:                               |        |  |  |                        |                                 |                          |
| 1,000,000 or more.....                      | 4,631  | 1.7                                    | 1.6  | .9                     | .2                              | 11.9                     |
| 500,000-999,999.....                        | 3,130  | 4.9                                    | 6.0  | 1.5                    | 2.4                             |                          |
| 100,000-499,999.....                        | 3,075  | 3.2                                    | 6.2  | 2.2                    | .1                              |                          |
| Less than 100,000 <sup>1</sup> .....        | 1,623  | 2.8                                    | 6.6  | 2.3                    | .5                              | 2.7                      |
| County.....                                 | 5,513  | 14.8                                   | 16.3   | .7                     | 3.4                             | 4.6                      |

<sup>1</sup> Includes townships.

The impact of withdrawals can best be measured by the number of refunds as a percent of the membership of the contributory systems. The number of persons leaving the systems and receiving refunds in 1940-41 equaled almost 6 percent of the membership of the contributory systems in January 1942. The rate of withdrawal was greatest—11 per cent—for employees classified as "other," mainly employees of public service enterprises in this instance. General systems refunded contributions to 8 percent of their membership; the turn-over rate of general systems was particularly great—16 percent—in State-administered systems for State employees only. In 6 of the 21 States with contributory systems for State employees only, withdrawals ranged from 17 to 23 percent of the active membership. These 6 States contained 74 percent of all membership of contributory systems for State employees and 89 percent of the withdrawals from such systems. The States and the proportion withdrawing are: Colorado, 19 percent; Connecticut, 23 percent; Minnesota and New York, 17 percent; Pennsylvania, 18 percent; and Rhode Island, 19 percent. Any loss in membership which resulted from the transfer of employees of State employment services to the Federal service in January 1942 is not, of course, measured by the data on withdrawals during the fiscal year 1940-41.



School employees, generally considered a relatively stable group, withdrew at a rate of 5 percent. Less than 1 percent of all members of contributory police and fire department systems received refunds. There are two possible explanations for this low rate. The employment opportunities may not have been so great in 1940-41 as to induce policemen and firemen, with their relatively high salaries, to leave public employment. Moreover, the early retirement age usual in systems for policemen and firemen makes it possible for them to draw retirement benefits while still young enough to enter the labor market; at the present time, the early retirement of policemen and firemen represents a serious problem of local government.

### **Summary of Coverage and Benefits**

Although a detailed discussion of benefits is not within the scope of the present analysis, summary data comparing distributions of the number of beneficiaries and the amount of benefit payments to distributions of active membership will serve to round out the picture of coverage.

Beneficiaries of State and local retirement systems numbered 158,000 and received \$11.4 million in the last month of the fiscal year 1940-41.<sup>9</sup> In the United States as a whole, monthly benefit payments, excluding refunds to members leaving the system and lump-sum death payments, averaged \$72 per recipient.

The 4 States which contained almost half the members of State and local government retirement systems—New York, California, Ohio, and Pennsylvania—had a corresponding proportion of the beneficiaries. They paid somewhat more than half the total amount of monthly benefits, indicating an average payment above that for the country as a whole. The 25 States which accounted for only 5.6 percent of the coverage had 5.2 percent of the beneficiaries; their average monthly benefit payments constituted only 4.3 percent of the total. The concentration of beneficiaries and payments in certain States reflects the maturity of the systems of these States as well as the extent of coverage. Illinois, for instance, had 12 percent of all beneficiaries but only 5.9 percent of all members of retirement systems.

<sup>9</sup> Each retirement system reported data on beneficiaries with respect to the last month of the system's fiscal year ended in 1941; the majority of the reports relate to June.

The relative maturity of noncontributory systems accounts for a higher proportion of beneficiaries and benefit payments (6.6 and 6.2 percent) than of covered employment (4.5 percent). Moreover, the introduction of a contributory system frequently has closed the membership of an earlier noncontributory system, with the result that a number of the noncontributory systems are still paying benefits but have no current coverage.

Only 32 percent of all beneficiaries were on the rolls of State-administered systems which cover both State and local employees, although these systems included 55 percent of the total coverage. Their total benefit payments were relatively low, representing only 26 percent of all monthly payments. On the other hand, systems administered by cities of more than a million population, which claimed only 18 percent of the coverage, were paying 39 percent of all monthly benefits to 32 percent of all beneficiaries.

Police and fire department systems contained a much higher share of beneficiaries (35 percent) and of benefit payments (39 percent) than of covered employment (10 percent). The opposite situation is found for school systems and for general systems. School systems, with 50 percent of all members of State and local retirement systems, had only 35 percent of the benefits and 36 percent of the beneficiaries. Systems covering general employees accounted for 38 percent of the membership but for only 23 percent of the benefits and 26 percent of the beneficiaries. Partial explanation of these differences, which are associated with the type of employee covered, lies in the relatively early retirement age for policemen and firemen and in the frequent provision for monthly benefits to the survivors of policemen and firemen who die before or after retirement; monthly benefits to survivors are relatively uncommon in systems covering other classes of employees.

Half of all beneficiaries and benefit payments of State and local retirement systems in the last month of the fiscal year 1940-41 were concentrated in the 53 retirement systems which accounted for three-fourths of all coverage. This lower representation on the benefit roll as compared with the active pay roll reflects the fact that these 53 systems are predominantly for school and general employees and a number of the largest systems are relatively young.

# PUBLIC ASSISTANCE

BUREAU OF PUBLIC ASSISTANCE

## Expenditures per Inhabitant for Public Assistance, 1942

Federal, State, and local governments spent an aggregate of more than \$955 million in 1942 for old-age assistance, aid to dependent children, aid to the blind, and general assistance in the United States.<sup>1</sup> New York expended the largest amount—\$121 million—and Delaware the smallest—less than \$1 million. The wide variation in these totals gives an exaggerated and unrealistic comparison of expenditures in the two States, because no allowance is made for the great difference in population. Thus, while New York spent more than \$175 for every dollar spent by Delaware, expenditures per inhabitant were \$9.04 in New York, compared with \$2.56 in Delaware (table 1). The value of adjusting expenditures to population is even more clearly demonstrated by a comparison of public assistance expenditures in New York with those in Nevada. New York spent more than \$130 for each dollar spent in Nevada, where aggregate expenditures were next to the lowest in the continental United States; expressed as expenditures per inhabitant, however, public assistance costs in Nevada were \$8.04, only \$1 less than in New York.

For the country as a whole, under the four programs, expenditures averaged \$7.29 per inhabitant in 1942, the lowest figure in any year since 1937. As employment opportunities increased with the expansion of war industries, total expenditures per capita declined from 1941 to 1942 in 18 States, with the largest decreases in general assistance. Expenditures for general assistance were smaller in 1942 than in the previous year in all but 9 States, while per capita assistance costs for aid to dependent children decreased in 18 States. On the other hand, only 5 States spent less in 1942 than in 1941 for old-age assistance, and 4 States decreased their expenditures for aid to the blind.

The variation among States in total expenditures per inhabitant and in costs for individual programs has always been high. In 1942, the

range among States was even greater than in previous years for old-age assistance but was considerably smaller for general assistance; the variation in per capita expenditures for aid to dependent children and aid to the blind remained relatively unchanged. The ranges for 1941 and 1942 were as follows:

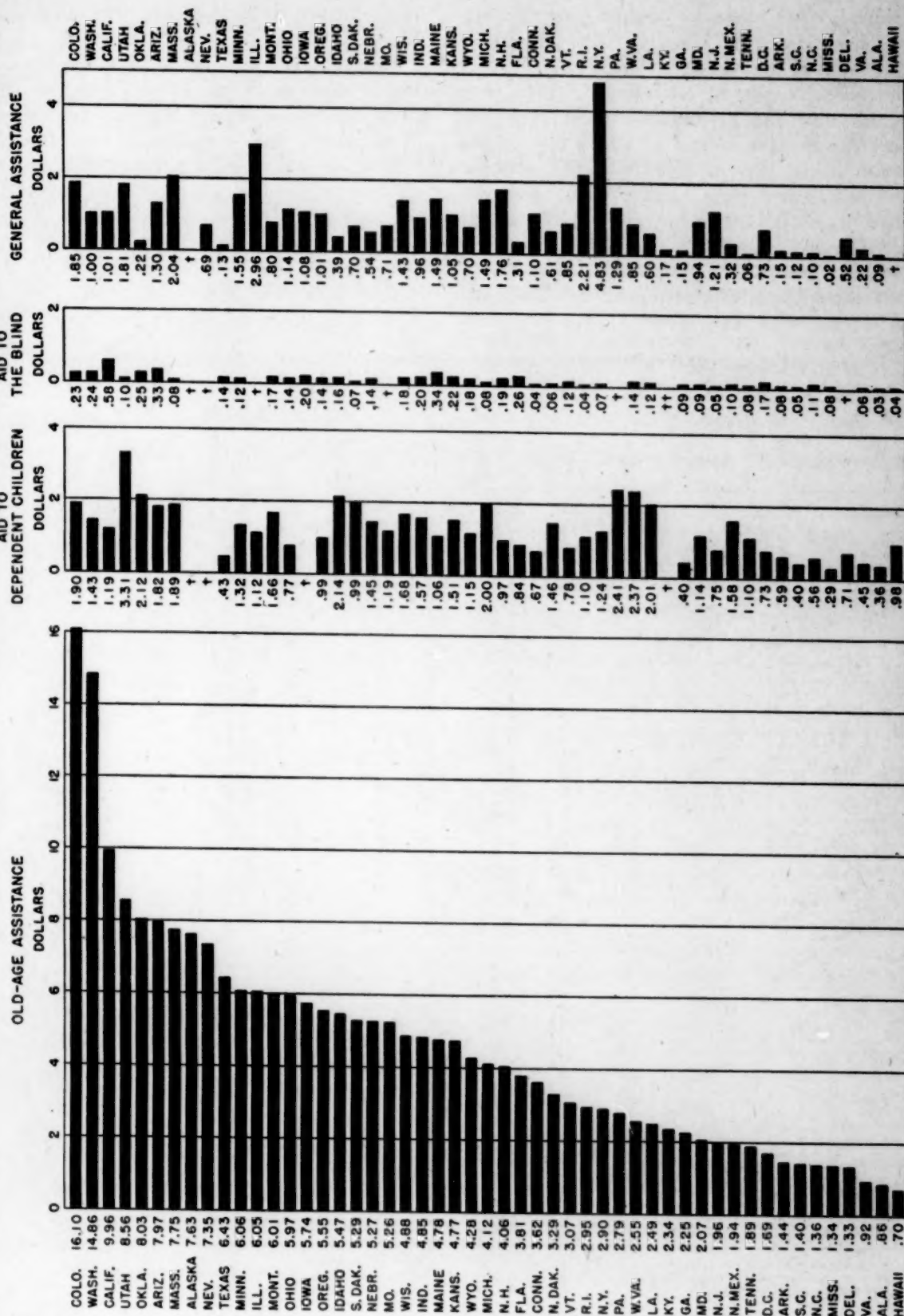
| Program                        | Expenditures per inhabitant |         |        |         |
|--------------------------------|-----------------------------|---------|--------|---------|
|                                | 1942                        |         | 1941   |         |
|                                | Lowest                      | Highest | Lowest | Highest |
| All programs.....              | \$1.34                      | \$20.08 | \$1.23 | \$18.95 |
| Old-age assistance.....        | .70                         | 16.10   | .66    | 15.07   |
| Aid to dependent children..... | .29                         | 3.31    | .34    | 3.58    |
| Aid to the blind.....          | .03                         | .58     | .02    | .59     |
| General assistance.....        | .02                         | 4.83    | .01    | 6.78    |

With such wide variations, it is obvious that expenditure rates for these programs are influenced by factors other than the extent of need. One of the most significant factors affecting expenditures is State and local fiscal ability. Generally, the States with the highest per capita incomes spent the largest amounts per inhabitant for public assistance and vice versa. The correlation between expenditures and fiscal ability is closest for general assistance. The relationship is not so close for the special types of public assistance, because the States have been encouraged through Federal participation to exert greater effort on these programs. Expenditure rates are affected also by variations among the States in eligibility requirements, administrative practices, and public attitudes toward dependency—factors which cannot be measured quantitatively.

The States vary also in the relative emphasis placed on individual programs, but most States expend their greatest financial effort on old-age assistance. In 1942, the States as a group spent \$4.52 per capita on old-age assistance, compared with \$1.37 for general assistance, \$1.25 for aid to dependent children, and 15 cents for aid to the blind. Old-age assistance has taken the largest share of total expenditures since 1939, partly because expenditures for the program have increased

<sup>1</sup> Data on total expenditures include amounts spent in States administering the special types of public assistance without Federal participation. Amounts expended per inhabitant, however, are based only on reported expenditures under plans approved by the Social Security Board. Data concerning general assistance relate to the continental United States.

Chart 1.—Amount expended per inhabitant in States with approved plans for payments to recipients of old-age assistance, aid to dependent children, and aid to the blind, and to cases receiving general assistance, 1942



†Approved plan in operation only part of the year.

†No approved plan.



considerably but primarily because general assistance has declined sharply with increased employment as a result of the war.

Decreases in general assistance in 1942 were so great that the program assumed even less importance in some individual States than in the national totals. Per inhabitant expenditures for general assistance were smaller than those for old-age assistance and for aid to dependent children in 36 States and were even less than for aid to the blind in 5 States. Old-age assistance, on the other hand, represented more than two-fifths of total expenditures in all but 1 State and

more than two-thirds of the total amount in 24 States.

Expenditure rates for old-age assistance were higher than those for aid to dependent children in all jurisdictions except Hawaii. For the country as a whole, the expenditure rate for old-age assistance was about  $3\frac{1}{2}$  times that for aid to dependent children; in 5 States, expenditures per inhabitant for old-age assistance were more than 7 times those for aid to dependent children. It should be noted, however, that, in 3 of these States, expenditures per inhabitant for aid to dependent children approximated or exceeded the

**Table 1.—Amount expended per inhabitant for public assistance in States with plans approved by the Social Security Board, by State and by program, 1941 and 1942**

| State                     | Total  |        | Old-age assistance |        | Aid to dependent children |        | Aid to the blind |        | General assistance |        |
|---------------------------|--------|--------|--------------------|--------|---------------------------|--------|------------------|--------|--------------------|--------|
|                           | 1941   | 1942   | 1941               | 1942   | 1941                      | 1942   | 1941             | 1942   | 1941               | 1942   |
| Total.....                | \$7.67 | \$7.29 | \$4.09             | \$4.52 | \$1.37                    | \$1.25 | \$0.14           | \$0.15 | \$2.07             | \$1.37 |
| Alabama.....              | 1.23   | 1.34   | .78                | .86    | .34                       | .36    | .02              | .03    | .09                | .09    |
| Alaska.....               | 7.39   | 7.63   | 7.39               | 7.63   |                           |        |                  |        |                    |        |
| Arizona.....              | 10.00  | 11.42  | 6.60               | 7.97   | 1.94                      | 1.82   | .28              | .33    | 1.18               | 1.30   |
| Arkansas.....             | 1.91   | 2.26   | 1.20               | 1.44   | .52                       | .59    | .06              | .08    | 1.13               | 1.15   |
| California.....           | 14.56  | 12.74  | 10.04              | 9.96   | 1.29                      | 1.19   | .59              | .58    | 2.64               | 1.01   |
| Colorado.....             | 18.95  | 20.08  | 15.07              | 16.10  | 2.03                      | 1.90   | .20              | .23    | 1.65               | 1.85   |
| Connecticut.....          | 5.32   | 5.43   | 3.48               | 3.62   | ( <sup>1</sup> )          | .67    | .04              | .04    | 1.80               | 1.19   |
| Delaware.....             | 3.10   | 2.56   | 1.81               | 1.33   | .91                       | .71    |                  |        | .88                | .82    |
| District of Columbia..... | 3.37   | 3.32   | 1.63               | 1.69   | .66                       | .73    | .13              | .17    | .95                | .73    |
| Florida.....              | 4.25   | 5.22   | 3.13               | 3.81   | .53                       | .84    | .22              | .26    | .37                | .31    |
| Georgia.....              | 2.24   | 2.89   | 1.61               | 2.25   | .40                       | .40    | .07              | .09    | .16                | .15    |
| Hawaii.....               | 1.91   | 1.72   | .66                | .70    | 1.22                      | .98    | .03              | .04    |                    |        |
| Idaho.....                | 7.87   | 8.16   | 4.86               | 5.47   | 2.10                      | 2.14   | .14              | .16    | .77                | 1.39   |
| Illinois.....             | 9.35   | 10.13  | 5.17               | 6.05   | ( <sup>2</sup> )          | 1.12   |                  |        | 4.18               | 2.96   |
| Indiana.....              | 7.20   | 7.58   | 4.40               | 4.85   | 1.69                      | 1.57   | .17              | .20    | .94                | 1.96   |
| Iowa.....                 | 7.30   | 7.02   | 5.60               | 5.74   |                           |        | .17              | .20    | 1.53               | 1.08   |
| Kansas.....               | 6.91   | 7.55   | 4.00               | 4.77   | 1.34                      | 1.51   | .20              | .22    | 1.37               | 1.65   |
| Kentucky.....             | 2.36   | 2.51   | 2.16               | 2.34   |                           |        | ( <sup>3</sup> ) |        | 1.30               | 1.17   |
| Louisiana.....            | 5.57   | 5.22   | 2.38               | 2.49   | 2.09                      | 2.01   | .11              | .12    | .99                | .60    |
| Maine.....                | 7.45   | 7.67   | 3.95               | 4.78   | .92                       | 1.06   | .35              | .34    | 2.23               | 1.49   |
| Maryland.....             | 4.59   | 4.24   | 2.11               | 2.07   | 1.33                      | 1.14   | .09              | .09    | 1.06               | .94    |
| Massachusetts.....        | 12.06  | 11.76  | 7.05               | 7.75   | 2.00                      | 1.89   | .08              | .08    | 2.93               | 2.04   |
| Michigan.....             | 7.28   | 7.69   | 3.42               | 4.12   | 1.95                      | 2.00   | .07              | .08    | 1.84               | 1.49   |
| Minnesota.....            | 9.73   | 9.05   | 5.80               | 6.06   | 1.38                      | 1.32   | .11              | .12    | 2.44               | 1.55   |
| Mississippi.....          | 1.35   | 1.73   | 1.29               | 1.34   | ( <sup>1</sup> )          | .29    | .05              | .08    | .01                | .62    |
| Missouri.....             | 7.53   | 7.16   | 5.50               | 5.26   | 1.16                      | 1.19   |                  |        | 1.87               | 1.71   |
| Montana.....              | 8.27   | 8.64   | 5.42               | 6.01   | 1.64                      | 1.66   | .12              | .17    | 1.09               | .80    |
| Nebraska.....             | 7.27   | 7.40   | 4.87               | 5.27   | 1.55                      | 1.45   | .14              | .14    | .71                | .54    |
| Nevada.....               | 7.67   | 8.04   | 6.87               | 7.35   |                           |        |                  |        | .80                | .69    |
| New Hampshire.....        | 7.35   | 6.98   | 3.71               | 4.06   | .71                       | .97    | .18              | .19    | 2.75               | 1.76   |
| New Jersey.....           | 4.68   | 3.97   | 1.90               | 1.96   | .93                       | .75    | .05              | .05    | 1.80               | 1.21   |
| New Mexico.....           | 3.45   | 3.94   | 1.85               | 1.94   | 1.22                      | 1.58   | .09              | .10    | 1.29               | 1.32   |
| New York.....             | 10.93  | 9.04   | 2.72               | 2.90   | 1.36                      | 1.24   | .07              | .07    | 6.78               | 4.83   |
| North Carolina.....       | 2.06   | 2.13   | 1.29               | 1.36   | .56                       | .56    | .10              | .11    | .11                | .10    |
| North Dakota.....         | 5.26   | 5.42   | 3.02               | 3.29   | 1.44                      | 1.46   | .07              | .06    | .73                | .61    |
| Ohio.....                 | 8.21   | 8.02   | 5.53               | 5.97   | .81                       | .77    | .14              | .14    | 1.73               | 1.14   |
| Oklahoma.....             | 9.15   | 10.62  | 7.07               | 8.03   | 1.66                      | 2.12   | .19              | .25    | .23                | .22    |
| Oregon.....               | 7.30   | 7.69   | 4.95               | 5.55   | .92                       | .99    | .13              | .14    | 1.30               | 1.01   |
| Pennsylvania.....         | 8.57   | 6.49   | 2.75               | 2.79   | 2.74                      | 2.41   |                  |        | 3.08               | 1.29   |
| Rhode Island.....         | 6.29   | 6.30   | 2.46               | 2.95   | .99                       | 1.10   | .03              | .04    | 2.81               | 2.21   |
| South Carolina.....       | 1.52   | 1.97   | .95                | 1.40   | .40                       | .40    | .05              | .05    | .12                | .12    |
| South Dakota.....         | 7.05   | 7.05   | 5.32               | 5.29   | .73                       | .99    | .08              | .07    | .92                | .70    |
| Tennessee.....            | 2.90   | 3.13   | 1.66               | 1.89   | 1.09                      | 1.10   | .08              | .08    | 1.07               | 1.06   |
| Texas.....                | 4.56   | 7.13   | 4.40               | 6.43   | ( <sup>1</sup> )          | .43    | ( <sup>3</sup> ) | .14    | 1.16               | .13    |
| Utah.....                 | 14.58  | 13.78  | 8.20               | 8.56   | 3.58                      | 3.31   | .10              | .10    | 2.70               | 1.81   |
| Vermont.....              | 5.09   | 4.82   | 3.22               | 3.07   | .71                       | .78    | .11              | .12    | 1.05               | .85    |
| Virginia.....             | 1.60   | 1.65   | .90                | .92    | .40                       | .45    | .06              | .06    | .24                | .22    |
| Washington.....           | 14.84  | 17.53  | 12.06              | 14.86  | 1.30                      | 1.43   | .24              | .24    | 1.24               | 1.00   |
| West Virginia.....        | 4.40   | 5.91   | 1.93               | 2.55   | 1.59                      | 2.37   | .11              | .14    | .77                | .85    |
| Wisconsin.....            | 8.84   | 8.17   | 4.70               | 4.88   | 1.77                      | 1.68   | .18              | .18    | 2.19               | 1.43   |
| Wyoming.....              | 6.22   | 6.31   | 4.04               | 4.28   | 1.19                      | 1.15   | .18              | .18    | .81                | .70    |

<sup>1</sup> Data on payments from local funds incomplete.

<sup>2</sup> Includes payments for medical care, hospitalization, and/or burial only.

<sup>3</sup> Approved plan for only part of year.

<sup>4</sup> Partly estimated.

<sup>5</sup> Represents approximately 70 percent of total expenditures.

rate for the country as a whole. Seven States, on the other hand, spent less than twice as much per inhabitant for old-age assistance as for aid to dependent children. In these States, expendi-

ture rates for old-age assistance were well below the national average, whereas those for aid to dependent children approximated or exceeded the national average in all but 1 State.

## Statistics for the United States

The \$78.9 million expended during May for public assistance and earnings under the Federal work programs in the continental United States represented decreases of 5.0 percent from the previous month and 44.2 percent from May 1942 (table 2). The number of recipients of assistance and of persons employed declined from April for all programs, but total payments for old-age assistance and aid to the blind increased.

Old-age assistance represented 67 percent of total expenditures during May; aid to dependent children, 15 percent; aid to the blind, 3 percent; general assistance, 12 percent; WPA, 2 percent; and the NYA student work program, 1 percent.

*Old-age assistance.*—For the eleventh consecutive month the number of recipients declined less than 1 percent (table 5). During this same period, payments increased in each month except Febru-

Table 2.—Public assistance and Federal work programs in the continental United States, by month, May 1942–May 1943<sup>1</sup>

[In thousands]

| Year and month                            | Total     | Special types of public assistance |                           |          | General assistance | Farm Security Administration <sup>1</sup> | Civilian Conservation Corps <sup>2</sup> | National Youth Administration <sup>3</sup> |                      | Work Projects Administration <sup>4</sup> | Other Federal agency projects financed from emergency funds <sup>5</sup> |                            |
|---|-----------|------------------------------------|---------------------------|----------|--------------------|---|--|--|----------------------|---|--|----------------------------|
|   |           | Old-age assistance                 | Aid to dependent children |          |                    |   |  | Aid to the blind                           | Student work program |   |  | Out-of-school work program |
|   |           |                                    | Families                  | Children |                    |   |  |  |                      |   |  |                            |
| Number of recipients and persons employed |           |                                    |                           |          |                    |   |  |  |                      |   |  |                            |
| 1942                                      |           |                                    |                           |          |                    |   |  |  |                      |   |  |                            |
| May                                       |           | 2,248                              | 398                       | 958      | 79                 | 657                                       | 14                                       | 64   | 215                  | 181                                       | 759  | (7)                        |
| June                                      |           | 2,250                              | 395                       | 949      | 79                 | 607                                       | 12                                       | 53   | 133                  | 184                                       | 671  | (7)                        |
| July                                      |           | 2,249                              | 390                       | 937      | 79                 | 566                                       | (7)                                      | (7)  | 17                   | (7)                                       | 505  | (7)                        |
| August                                    |           | 2,248                              | 386                       | 928      | 79                 | 551                                       | (7)                                      | (7)  | 0                    | (7)                                       | 428  | (7)                        |
| September                                 |           | 2,245                              | 382                       | 919      | 79                 | 528                                       | (7)                                      | (7)  | 2                    | (7)                                       | 382  | (7)                        |
| October                                   |           | 2,242                              | 374                       | 899      | 79                 | 503                                       | (7)                                      | (7)  | 52                   | (7)                                       | 357  | (7)                        |
| November                                  |           | 2,233                              | 366                       | 879      | 79                 | 470                                       | (7)                                      | (7)  | 81                   | (7)                                       | 332  | (7)                        |
| December                                  |           | 2,226                              | 349                       | 849      | 79                 | 450                                       | (7)                                      | (7)  | 86                   | (7)                                       | 300  | (7)                        |
| 1943                                      |           |                                    |                           |          |                    |   |  |  |                      |   |  |                            |
| January                                   |           | 2,212                              | 342                       | 830      | 79                 | 447                                       | (7)                                      | (7)  | 91                   | (7)                                       | 244  | (7)                        |
| February                                  |           | 2,200                              | 335                       | 815      | 78                 | 430                                       | (7)                                      | (7)  | 94                   | (7)                                       | 161  | (7)                        |
| March                                     |           | 2,192                              | 327                       | 797      | 78                 | 418                                       | (7)                                      | (7)  | 97                   | (7)                                       | 93   | (7)                        |
| April                                     |           | 2,179                              | 320                       | 781      | 78                 | 396                                       | (7)                                      | (7)  | 97                   | (7)                                       | 41   | (7)                        |
| May                                       |           | 2,170                              | 313                       | 764      | 77                 | 375                                       | (7)                                      | (7)  | 89                   | (7)                                       | 6  | (7)                        |
| Amount of assistance and earnings         |           |                                    |                           |          |                    |   |  |  |                      |   |  |                            |
| 1942                                      |           |                                    |                           |          |                    |   |  |  |                      |   |  |                            |
| May                                       | \$141,406 | \$48,888                           | \$13,446                  | \$2,038  | \$15,394           | \$496                                     | \$4,262                                  | \$1,555                                    | \$4,787              | \$50,506                                  | \$34   |                            |
| June                                      | 135,734   | 49,115                             | 13,314                    | 2,052    | 14,149             | 418                                       | 3,544                                    | 937  | 5,311                | 46,866                                    | 28   |                            |
| July                                      | 120,168   | 49,581                             | 13,219                    | 2,054    | 13,647             | (7)                                       | (7)                                      | 150  | (7)                  | 41,517                                    | (7)  |                            |
| August                                    | 109,689   | 50,039                             | 13,330                    | 2,069    | 13,313             | (7)                                       | (7)                                      | 0  | (7)                  | 30,938                                    | (7)  |                            |
| September                                 | 104,889   | 50,321                             | 13,054                    | 2,080    | 12,901             | (7)                                       | (7)                                      | 11   | (7)                  | 26,432                                    | (7)  |                            |
| October                                   | 103,759   | 50,915                             | 12,848                    | 2,084    | 12,552             | (7)                                       | (7)                                      | 425  | (7)                  | 24,935                                    | (7)  |                            |
| November                                  | 100,902   | 51,726                             | 12,588                    | 2,084    | 11,536             | (7)                                       | (7)                                      | 704  | (7)                  | 22,264                                    | (7)  |                            |
| December                                  | 101,137   | 52,168                             | 12,631                    | 2,100    | 11,582             | (7)                                       | (7)                                      | 722  | (7)                  | 21,934                                    | (7)  |                            |
| 1943                                      |           |                                    |                           |          |                    |   |  |  |                      |   |  |                            |
| January                                   | 95,626    | 52,169                             | 12,426                    | 2,085    | 10,923             | (7)                                       | (7)                                      | 661  | (7)                  | 17,362                                    | (7)  |                            |
| February                                  | 90,709    | 52,168                             | 12,210                    | 2,067    | 10,410             | (7)                                       | (7)                                      | 766  | (7)                  | 13,088                                    | (7)  |                            |
| March                                     | 87,601    | 52,305                             | 12,219                    | 2,085    | 11,244             | (7)                                       | (7)                                      | 794  | (7)                  | 8,954                                     | (7)  |                            |
| April                                     | 83,078    | 52,515                             | 12,121                    | 2,085    | 10,557             | (7)                                       | (7)                                      | 815  | (7)                  | 4,985                                     | (7)  |                            |
| May                                       | 78,904    | 52,612                             | 11,844                    | 2,089    | 9,621              | (7)                                       | (7)                                      | 758  | (7)                  | 1,980                                     | (7)  |                            |

<sup>1</sup> Partly estimated and subject to revision. For January 1933–April 1942 data, see the Bulletin, February 1943, pp. 23–26. For definitions of terms, see the Bulletin, September 1941, pp. 50–52; see also footnotes 3–6.

<sup>2</sup> Data from FSA.

<sup>3</sup> Data from CCC. Beginning July 1941, earnings of persons enrolled estimated by CCC by multiplying average monthly number of persons enrolled by average of \$67.20 for each month for enrollees other than Indians and \$60.50 for Indians.

<sup>4</sup> Data from NYA. Beginning July 1941, number employed on out-of-school work program based on an average of weekly employment counts during month.

<sup>5</sup> Data from WPA. Beginning July 1942, represents sum of pay rolls approved during month; because of time lag in approval of pay rolls, earnings cannot be related to average number employed during month.

<sup>6</sup> Data from Bureau of Labor Statistics. Beginning October 1941, represents employment and earnings on projects financed from PWA funds only; data not available for other Federal agency projects financed under Emergency Relief Appropriation acts.

<sup>7</sup> Less than 500 persons.

<sup>8</sup> For changes in series, see the Bulletin, September 1942, pp. 32 ff.

Chart 2.—Payments to recipients of public assistance in the continental United States, January 1936–May 1943

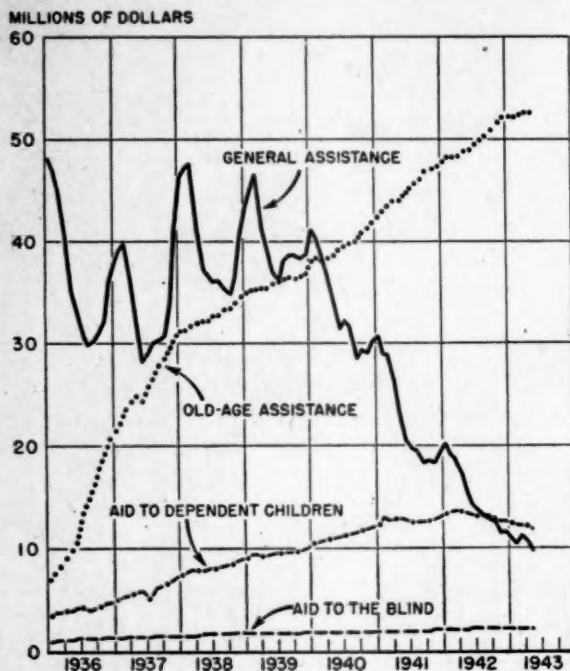


Table 3.—Special types of public assistance: Recipients and payments to recipients in States with plans approved by the Social Security Board, by month, May 1942–May 1943<sup>1</sup>

| Year and month       | Total        | Old-age assistance | Aid to dependent children |          | Aid to the blind |
|----------------------|--------------|--------------------|---------------------------|----------|------------------|
|                      |              |                    | Families                  | Children |                  |
| Number of recipients |              |                    |                           |          |                  |
| 1942                 |              |                    |                           |          |                  |
| May                  |              | 2,251,187          | 395,435                   | 952,036  | 54,129           |
| June                 |              | 2,253,522          | 391,755                   | 943,079  | 54,378           |
| July                 |              | 2,252,173          | 386,798                   | 930,622  | 54,480           |
| August               |              | 2,251,082          | 383,455                   | 921,422  | 54,601           |
| September            |              | 2,248,497          | 379,602                   | 912,773  | 54,651           |
| October              |              | 2,244,915          | 371,560                   | 893,070  | 54,583           |
| November             |              | 2,236,612          | 362,778                   | 872,725  | 54,449           |
| December             |              | 2,229,518          | 345,859                   | 842,739  | 54,643           |
| 1943                 |              |                    |                           |          |                  |
| January              |              | 2,214,650          | 339,639                   | 825,985  | 54,507           |
| February             |              | 2,203,164          | 332,318                   | 810,362  | 54,423           |
| March                |              | 2,194,560          | 325,184                   | 792,292  | 54,219           |
| April                |              | 2,182,219          | 318,090                   | 776,695  | 54,000           |
| May                  |              | 2,172,994          | 310,600                   | 759,654  | 53,795           |
| Amount of assistance |              |                    |                           |          |                  |
| 1942                 |              |                    |                           |          |                  |
| May                  | \$63,672,256 | \$48,958,628       | \$13,399,852              |          | \$1,313,776      |
| June                 | 63,779,932   | 49,185,310         | 13,269,418                |          | 1,325,204        |
| July                 | 64,158,077   | 49,650,930         | 13,173,112                |          | 1,334,035        |
| August               | 64,735,162   | 50,110,566         | 13,283,531                |          | 1,341,065        |
| September            | 64,756,627   | 50,393,082         | 13,008,782                |          | 1,354,763        |
| October              | 65,146,911   | 50,986,613         | 12,801,014                |          | 1,359,284        |
| November             | 65,708,228   | 51,797,922         | 12,544,144                |          | 1,366,162        |
| December             | 66,199,555   | 52,239,355         | 12,586,381                |          | 1,373,819        |
| 1943                 |              |                    |                           |          |                  |
| January              | 66,008,889   | 52,240,709         | 12,398,779                |          | 1,369,401        |
| February             | 65,798,724   | 52,239,732         | 12,183,794                |          | 1,375,198        |
| March                | 65,950,156   | 52,377,102         | 12,191,012                |          | 1,382,042        |
| April                | 66,067,535   | 52,587,292         | 12,095,943                |          | 1,384,300        |
| May                  | 66,887,957   | 52,685,313         | 11,817,224                |          | 1,385,420        |

<sup>1</sup> For definitions of terms, see the Bulletin, September 1941, pp. 50–52.

Table 4.—General assistance: Cases and payments to cases, by State, May 1943<sup>1</sup>

| State              | Number of cases | Payments to cases |         | Percentage change from— |        |              |        |
|--------------------|-----------------|-------------------|---------|-------------------------|--------|--------------|--------|
|                    |                 | Total amount      | Average | April 1943 in—          |        | May 1942 in— |        |
|                    |                 |                   |         | Number                  | Amount | Number       | Amount |
| Total <sup>2</sup> | 376,000         | \$9,640,000       | \$25.66 | –5.3                    | –8.8   | –42.9        | –37.4  |
| Ala.               | 2,261           | 23,681            | 10.47   | +8                      | +3.9   | –1.4         | +13.9  |
| Alaska             | 151             | 5,663             | 37.50   | +11.9                   | +54.1  | (?)          | (?)    |
| Ariz.              | 2,333           | 60,592            | 25.97   | –2.6                    | –6     | –13.8        | +13.2  |
| Ark.               | 3,164           | 25,919            | 8.19    | –5.4                    | –6.4   | –17.5        | +6.7   |
| Calif.             | 14,101          | 393,228           | 27.89   | –5.9                    | –16.2  | –48.3        | –40.1  |
| Conn.              | 5,047           | 112,664           | 22.32   | –6.8                    | –5.6   | (?)          | –25.7  |
| Del.               | 3,404           | 101,335           | 29.00   | –5.4                    | –6.1   | –38.3        | –38.4  |
| D. C.              | 978             | 28,622            | 24.15   | –6.0                    | –5.5   | –42.5        | –45.2  |
| Fla.               | 5,300           | 42,700            | 19.44   | –8.0                    | –8.1   | –37.7        | –31.2  |
| Ga.                | 3,586           | 33,178            | 9.25    | +6                      | +1.1   | –32.6        | –15.5  |
| Hawaii             | 609             | 13,984            | 22.96   | 0                       | +1.2   | –23.2        | –9.5   |
| Idaho              | 828             | 14,084            | 17.01   | –3.8                    | –2.3   | –25.2        | –15.6  |
| Ill.               | 44,731          | 1,207,885         | 27.0    | –6.3                    | –10.1  | –40.1        | –40.7  |
| Ind.               | 8,656           | 149,896           | 17.32   | –9.5                    | –13.9  | –52.8        | –42.6  |
| Iowa               | 7,488           | 127,205           | 16.99   | –8.7                    | –10.8  | –46.2        | –40.6  |
| Kans.              | 4,752           | 106,170           | 22.34   | –4.9                    | –4.4   | –48.2        | –34.9  |
| Ky.                | 2,000           | 30,000            | 15.00   | (?)                     | –5     | –55.5        | –46.9  |
| La.                | 5,237           | 101,790           | 19.44   | –8.0                    | –8.1   | –37.7        | –31.2  |
| Maine              | 2,808           | 72,769            | 25.37   | –8.0                    | –8.1   | –37.7        | –31.2  |
| Md.                | 5,021           | 122,478           | 24.39   | –4.1                    | –5.4   | –21.4        | –9.0   |
| Mass.              | 17,335          | 451,291           | 26.03   | –5.0                    | –12.1  | –40.6        | –38.3  |
| Mich.              | 14,876          | 386,514           | 25.98   | –8.1                    | –13.9  | –48.2        | –39.8  |
| Minn.              | 9,184           | 210,419           | 22.91   | –11.1                   | –14.8  | –46.8        | –39.9  |
| Miss.              | 410             | 2,787             | 6.80    | –7.4                    | +0.2   | –31.2        | +1.9   |
| Mo.                | 7,791           | 124,797           | 16.02   | –6.8                    | –7.1   | –44.5        | –38.7  |
| Mont.              | 1,484           | 27,841            | 18.76   | –7.8                    | –4.0   | –33.4        | –23.5  |
| Nebr.              | 2,430           | 35,046            | 14.42   | –8.7                    | –13.4  | –49.9        | –35.6  |
| Nev.               | 328             | 5,208             | 16.06   | +8.3                    | –1.8   | –30.1        | –23.2  |
| N. H.              | 1,974           | 47,148            | 23.88   | –8.4                    | –9.3   | –34.7        | –34.8  |
| N. J.              | 10,261          | 271,634           | 26.47   | –6.0                    | –10.0  | –43.2        | –35.3  |
| N. Mex.            | 1,254           | 20,137            | 16.06   | +4.2                    | +2.5   | –6           | +78.4  |
| N. Y.              | 86,477          | 3,522,353         | 40.73   | –3.4                    | –7.6   | –43.4        | –37.1  |
| N. C.              | 2,937           | 24,619            | 8.38    | –6.1                    | –4.0   | –24.3        | –11.3  |
| N. Dak.            | 1,160           | 21,570            | 18.59   | –13.3                   | –11.6  | –44.6        | –31.0  |
| Ohio               | 16,667          | 366,588           | 21.99   | –9.2                    | –12.7  | –52.0        | –44.4  |
| Okl.               | 5,715           | 88,932            | 15.56   | (?)                     | 0      | (?)          | –13.5  |
| Oreg.              | 2,915           | 88,932            | 30.51   | –2.1                    | +1.9   | –33.6        | –3.5   |
| Pa.                | 30,981          | 595,947           | 19.24   | –3.9                    | –9.7   | –42.8        | –45.3  |
| R. I.              | 2,061           | 72,771            | 35.31   | –10.3                   | –11.0  | –50.0        | –48.0  |
| S. C.              | 2,330           | 19,481            | 8.36    | +2.5                    | +4.1   | +7.8         | +4.8   |
| S. Dak.            | 1,361           | 22,215            | 16.32   | –18.8                   | –24.2  | –53.0        | –47.8  |
| Tenn.              | 1,800           | 13,900            | 13.00   | –18.8                   | –24.2  | –53.0        | –47.8  |
| Tex.               | 5,000           | 58,000            | 11.60   | –2.1                    | –3     | –42.0        | –36.1  |
| Utah               | 1,761           | 51,917            | 29.48   | –2.1                    | –3     | –42.0        | –36.1  |
| Vt.                | 1,150           | 22,066            | 19.19   | –8                      | –10.4  | –6.7         | –6.0   |
| Wa.                | 3,772           | 43,186            | 11.45   | –2.5                    | –2.2   | –20.3        | –12.8  |
| Wash.              | 5,345           | 155,970           | 29.18   | –1                      | +8.2   | –17.5        | +10.8  |
| W. Va.             | 8,745           | 99,518            | 11.38   | –4.1                    | –3.1   | –31.3        | –27.6  |
| Wis.               | 8,477           | 179,767           | 21.21   | –9.5                    | –12.5  | –52.2        | –51.3  |
| Wyo.               | 565             | 11,551            | 20.44   | –6.9                    | –6.0   | –33.2        | –21.4  |

<sup>1</sup> For definitions of terms, see the Bulletin, September 1941, pp. 50–52.

<sup>2</sup> Partly estimated; does not represent sum of State figures, because total excludes cases and payments for medical care, hospitalization, burial, and/or nursing home care only in 2 States, and cases aided in Oklahoma have been estimated to exclude duplication.

<sup>3</sup> Data not reported prior to September 1942.

<sup>4</sup> State program only; excludes programs administered by local officials.

<sup>5</sup> Comparable data not available.

<sup>6</sup> Estimated.

<sup>7</sup> Excludes assistance in kind and cases receiving assistance in kind only and, for a few counties, cash payments and cases receiving cash payments. Amount of payments shown represents approximately 70 percent of total.

<sup>8</sup> Includes unknown number of cases receiving medical care, hospitalization, burial, and/or nursing home care only, and total payments for these services.

<sup>9</sup> Decrease of less than 0.05 percent.

<sup>10</sup> Includes cases receiving medical care only; number believed by State agency to be insignificant.

<sup>11</sup> Represents 5,093 cases aided under program administered by State board of public welfare, and 2,630 cases aided by county commissioners; amount of duplication believed to be large; average per case and percentage change in number of cases cannot be computed.



ary. Monthly payments increased \$3.5 million, whereas the number of recipients declined more than 80,000. All but 8 States reported a smaller number of recipients in May than in the previous month, but 28 States reported increases in total payments.

**Aid to dependent children.**—The number of families decreased 2.3 percent from the previous month's number (table 7), continuing the down-

**Table 5.—Old-age assistance: Recipients and payments to recipients, by State, May 1943<sup>1</sup>**

| State                    | Number of recipients | Payments to recipients |                | Percentage change from— |                  |              |             |
|--------------------------|----------------------|------------------------|----------------|-------------------------|------------------|--------------|-------------|
|                          |                      | Total amount           | Average        | April 1943 in—          |                  | May 1942 in— |             |
|                          |                      |                        |                | Number                  | Amount           | Number       | Amount      |
| <b>Total<sup>2</sup></b> | <b>2,172,994</b>     | <b>\$52,685,313</b>    | <b>\$24.25</b> | <b>-0.4</b>             | <b>+0.2</b>      | <b>-3.5</b>  | <b>+7.6</b> |
| Ala.                     | 22,056               | 231,579                | 10.50          | +6                      | +2.7             | +4.1         | +14.5       |
| Alaska                   | 1,492                | 46,786                 | 31.36          | -5                      | +2.7             | -5.0         | +1.0        |
| Ark.                     | 9,646                | 360,898                | 37.41          | +1                      | +5               | +1.8         | +10.7       |
| Calif.                   | 25,763               | 376,966                | 14.63          | +1.1                    | +1.0             | +2.9         | +81.0       |
| Calif. <sup>3</sup>      | 151,412              | 5,681,171              | 37.52          | -2                      | +2               | +2.2         | -1.4        |
| Colo.                    | 41,451               | 1,063,283              | 40.13          | -6                      | -6               | -3.4         | +21.3       |
| Conn.                    | 15,968               | 482,102                | 30.19          | -5                      | -8               | -9.6         | -14.6       |
| Del.                     | 1,932                | 25,728                 | 13.32          | -2.5                    | -2.2             | -18.0        | -5.3        |
| D. C.                    | 3,185                | 88,228                 | 27.70          | 0                       | -5               | -10.0        | -6          |
| Fla.                     | 41,337               | 601,776                | 14.56          | -8                      | -4               | -2.9         | -6          |
| Ga.                      | 70,306               | 684,873                | 9.73           | -3                      | +4               | +8.9         | +20.3       |
| Hawaii                   | 1,512                | 26,218                 | 17.34          | -1.0                    | -3               | -12.8        | +8.9        |
| Idaho                    | 9,887                | 266,497                | 26.95          | -9                      | -7               | +2           | +15.3       |
| Ill.                     | 147,637              | 4,195,674              | 28.42          | -5                      | +2               | -1.8         | +6.6        |
| Ind.                     | 65,641               | 1,440,300              | 21.94          | -1.0                    | -1               | -6.8         | +4.5        |
| Iowa                     | 54,174               | 1,222,579              | 22.57          | -4                      | +1               | -4.3         | +1.1        |
| Kans.                    | 30,096               | 762,210                | 25.33          | -6                      | -1.0             | -3.4         | +9.8        |
| Ky.                      | 50,983               | 625,586                | 10.31          | -5                      | -1               | -11.4        | -6.1        |
| La.                      | 37,507               | 716,738                | 19.11          | -1                      | +2.7             | +5.4         | +50.9       |
| Maine                    | 15,776               | 352,027                | 22.31          | -4                      | +5               | +1           | +5.3        |
| Md.                      | 14,230               | 302,755                | 21.26          | -1.0                    | +9               | -15.1        | -4.5        |
| Mass.                    | 82,697               | 2,883,668              | 34.87          | +8                      | +7               | -4.7         | +2.1        |
| Mich.                    | 87,889               | 2,365,863              | 26.92          | +3                      | +8               | -5.3         | +31.9       |
| Minn.                    | 60,832               | 1,444,445              | 23.74          | -4                      | +5               | -4.0         | +2.4        |
| Miss.                    | 24,994               | 227,642                | 9.11           | -7                      | -4               | -7.6         | -6.7        |
| Mo.                      | 109,327              | 2,205,730              | 20.18          | -7                      | ( <sup>4</sup> ) | -5.6         | +43.1       |
| Mont.                    | 11,986               | 296,426                | 24.73          | -3                      | +1.1             | -4.1         | +5.8        |
| Nebr.                    | 27,348               | 608,122                | 22.24          | -8                      | -6               | -7.5         | +10.6       |
| Nev.                     | 2,036                | 66,572                 | 32.70          | -7                      | +7               | -8.7         | -2.4        |
| N. H.                    | 6,988                | 173,051                | 24.76          | -7                      | -1               | -4.3         | +4.0        |
| N. J.                    | 27,019               | 663,154                | 24.54          | -1.3                    | +1.2             | -10.1        | -2.2        |
| N. Mex.                  | 5,025                | 133,087                | 26.48          | 0                       | -1               | -1.5         | +61.0       |
| N. Y.                    | 107,908              | 3,285,971              | 30.45          | -1.1                    | -2.8             | -9.9         | +5.2        |
| N. C.                    | 37,391               | 396,048                | 10.59          | -8                      | -7               | -4.7         | -2.2        |
| N. Dak.                  | 9,124                | 208,621                | 22.87          | -1                      | +10.2            | -4.1         | +18.8       |
| Ohio                     | 135,093              | 3,689,608              | 27.31          | -4                      | -1               | -3.1         | +10.5       |
| Okl.                     | 77,372               | 1,729,329              | 22.35          | -2                      | +3               | -5           | +15.3       |
| Oreg.                    | 19,680               | 543,256                | 27.60          | -1.0                    | +6               | -9.9         | +8.1        |
| Pa.                      | 90,756               | 2,383,712              | 26.27          | -9                      | -4               | -7.8         | +5.7        |
| R. I.                    | 7,240                | 190,939                | 26.37          | -2                      | +1.1             | -2.6         | +10.4       |
| S. C.                    | 20,986               | 221,906                | 10.57          | ( <sup>5</sup> )        | +1.4             | +3           | -6.4        |
| S. Dak.                  | 14,104               | 297,499                | 21.09          | -3                      | +7               | -4.9         | +4.6        |
| Tenn.                    | 39,241               | 514,902                | 13.12          | -7                      | +4.7             | +4.5         | +18.5       |
| Tex.                     | 182,006              | 3,643,781              | 19.47          | ( <sup>6</sup> )        | +1.3             | -6.1         | +5.5        |
| Utah                     | 13,789               | 420,702                | 30.51          | -4                      | +8.9             | -5.6         | +6.6        |
| Vt.                      | 5,421                | 100,703                | 18.58          | +2.9                    | +3.6             | -2.6         | +2.7        |
| Va.                      | 18,021               | 196,120                | 10.88          | -1.2                    | -6               | -0.5         | -4.4        |
| Wash.                    | 61,609               | 2,107,756              | 34.07          | -3                      | +2               | -4.3         | -2.7        |
| W. Va.                   | 20,501               | 341,476                | 16.66          | -3.0                    | -4.1             | -11.9        | -16.6       |
| Wis.                     | 50,897               | 1,285,076              | 25.25          | -8                      | -1               | -6.0         | +6          |
| Wyo.                     | 3,403                | 106,214                | 31.21          | -8                      | -1.3             | -4.6         | +19.5       |

<sup>1</sup> For definitions of terms, see the Bulletin, September 1941, pp. 50-52.  
<sup>2</sup> All 51 States have plans approved by Social Security Board.  
<sup>3</sup> Includes \$108,502 incurred for payments to 2,703 recipients aged 60 but under 65 years.  
<sup>4</sup> Decrease of less than 0.05 percent.

ward trend started in April 1942. Payments declined 2.3 percent from the previous month and 11.9 percent from May 1942. All but 6 States contributed to the decrease in the number of families aided during May; 17 States reported an increase in total payments.

**Table 6.—Aid to the blind: Recipients and payments to recipients, by State, May 1943<sup>1</sup>**

| State                               | Number of recipients | Payments to recipients |                | Percentage change from— |                   |                   |                   |
|-------------------------------------|----------------------|------------------------|----------------|-------------------------|-------------------|-------------------|-------------------|
|                                     |                      | Total amount           | Average        | April 1943 in—          |                   | May 1942 in—      |                   |
|                                     |                      |                        |                | Number                  | Amount            | Number            | Amount            |
| <b>Total</b>                        | <b>77,480</b>        | <b>\$2,090,543</b>     | <b>\$26.98</b> | <b>-0.5</b>             | <b>+0.2</b>       | <b>-1.4</b>       | <b>+2.5</b>       |
| <b>Total, 45 States<sup>2</sup></b> | <b>53,795</b>        | <b>1,385,420</b>       | <b>25.75</b>   | <b>-4</b>               | <b>+1</b>         | <b>-6</b>         | <b>+5.5</b>       |
| Ala.                                | 650                  | 7,270                  | 11.18          | -2                      | +2.6              | -6                | +16.3             |
| Ariz.                               | 395                  | 13,972                 | 35.37          | -1.5                    | -1.1              | -3.2              | +2.2              |
| Ark.                                | 1,190                | 19,510                 | 16.39          | +8                      | +9                | +2.1              | +72.3             |
| Calif. <sup>3</sup>                 | 6,736                | 317,006                | 47.06          | -6                      | -5                | -6.5              | -6.0              |
| Colo.                               | 609                  | 20,885                 | 34.29          | +7                      | +8                | -4.7              | -1.4              |
| Conn.                               | 186                  | 5,468                  | 29.40          | +18.5                   | +15.5             | -13.1             | -14.7             |
| D. C.                               | 277                  | 9,590                  | 34.51          | -1.1                    | -5                | -3.1              | -1                |
| Fla.                                | 2,491                | 38,554                 | 15.48          | -1.5                    | -1.0              | -8.9              | -6.7              |
| Ga.                                 | 2,202                | 27,852                 | 12.65          | ( <sup>4</sup> )        | +9                | +10.8             | +21.8             |
| Hawaii                              | 80                   | 1,598                  | 19.98          | ( <sup>5</sup> )        | ( <sup>5</sup> )  | ( <sup>5</sup> )  | ( <sup>5</sup> )  |
| Idaho                               | 253                  | 7,077                  | 27.97          | -2.3                    | -1.6              | -8.0              | +6.7              |
| Ill.                                | 7,041                | 221,052                | 31.39          | -3.0                    | +1.6              | -5.0              | -1.2              |
| Ind.                                | 2,335                | 66,217                 | 28.36          | -3                      | ( <sup>6</sup> )  | -1.2              | +28.7             |
| Iowa                                | 1,507                | 43,958                 | 29.17          | -3                      | +1.0              | -2.1              | +5.6              |
| Kans.                               | 1,229                | 33,625                 | 27.36          | -2                      | +9                | -8.6              | +6.7              |
| Ky.                                 | 986                  | 12,001                 | 12.17          | +5.9                    | +5.1              | ( <sup>7</sup> )  | ( <sup>7</sup> )  |
| La.                                 | 1,440                | 33,444                 | 23.22          | -3                      | +2.7              | +6.7              | +67.4             |
| Maine                               | 972                  | 22,799                 | 23.46          | -1.6                    | -1.0              | -10.1             | -7.3              |
| Md.                                 | 520                  | 12,746                 | 24.51          | -6                      | +1.6              | -16.8             | -8.9              |
| Mass.                               | 997                  | 26,166                 | 26.24          | -8                      | +1                | -11.3             | -4.7              |
| Mich.                               | 1,323                | 42,279                 | 31.96          | -1.1                    | -7                | -5.0              | +17.2             |
| Minn.                               | 1,009                | 30,892                 | 30.62          | -1.0                    | +6                | -1.2              | +10.6             |
| Miss.                               | 1,293                | 13,787                 | 10.66          | +2                      | +3                | -5.3              | -5.1              |
| Mo.                                 | 3,100                | 81,000                 | 26.13          | +6                      | +1.8              | -2.7              | +4.5              |
| Mont.                               | 321                  | 8,387                  | 26.13          | +6                      | -1.7              | -10.4             | -3.8              |
| Nebr.                               | 653                  | 15,106                 | 23.13          | -1.7                    | ( <sup>8</sup> )  | ( <sup>8</sup> )  | ( <sup>8</sup> )  |
| Nev.                                | 30                   | 7,846                  | 261.87         | ( <sup>9</sup> )        | +1.3              | -7.2              | -1.9              |
| N. H.                               | 310                  | 7,849                  | 25.32          | -1.3                    | -7                | -12.3             | -5.3              |
| N. J.                               | 637                  | 10,802                 | 16.98          | -1.7                    | +4.5              | +7.7              | +63.7             |
| N. Mex.                             | 252                  | 7,078                  | 28.09          | +4                      | -2.9              | -8.1              | +6.0              |
| N. Y.                               | 2,534                | 80,372                 | 31.72          | -1.2                    | +2                | -2.2              | +4                |
| N. C.                               | 2,182                | 34,034                 | 15.60          | -1                      | +2.8              | -5.8              | +1.3              |
| N. Dak.                             | 129                  | 3,089                  | 23.95          | -1.5                    | ( <sup>10</sup> ) | -8.1              | +2.6              |
| Ohio                                | 3,618                | 83,837                 | 23.17          | -1.4                    | -5                | -5.2              | +1.9              |
| Okl.                                | 2,077                | 50,357                 | 24.25          | -8                      | +7                | -13.7             | +7.3              |
| Oreg.                               | 403                  | 13,784                 | 34.20          | -1.2                    | -5                | -9.9              | -3.1              |
| Pa.                                 | 13,514               | 401,785                | 29.73          | ( <sup>11</sup> )       | ( <sup>11</sup> ) | ( <sup>11</sup> ) | ( <sup>11</sup> ) |
| R. I.                               | 96                   | 2,492                  | 25.96          | ( <sup>12</sup> )       | +2.0              | -1.0              | -7                |
| S. C.                               | 808                  | 8,779                  | 10.87          | 0                       | +3.1              | -2.8              | +10.7             |
| S. Dak.                             | 245                  | 4,276                  | 17.45          | +1.2                    | +4.6              | +2.1              | +10.7             |
| Tenn.                               | 1,610                | 21,764                 | 13.52          | -4                      | +1.5              | +4.5              | +50.6             |
| Tex.                                | 4,336                | 103,051                | 23.77          | +1.1                    | -1.3              | -29.7             | -21.9             |
| Utah                                | 123                  | 3,793                  | 30.84          | -2.4                    | +7                | -6.1              | -4.3              |
| Vt.                                 | 153                  | 3,494                  | 22.84          | +7                      | +8                | -6.1              | -4                |
| Va.                                 | 1,016                | 14,012                 | 13.79          | -3                      | -4                | -17.6             | -18.5             |
| Wash.                               | 830                  | 30,033                 | 36.18          | -8                      | -4.1              | -10.2             | -14.3             |
| W. Va.                              | 916                  | 19,505                 | 21.29          | -2.6                    | -7                | -9.2              | -6.7              |
| Wis.                                | 1,743                | 43,114                 | 24.74          | -1.0                    | -5                | -10.9             | -3.8              |
| Wyo.                                | 123                  | 3,746                  | 30.46          | -1.6                    |                   |                   |                   |

<sup>1</sup> For definitions of terms, see the Bulletin, September 1941, pp. 50-52. Figures in italics represent programs administered without Federal participation. Delaware and Alaska do not administer aid to the blind.  
<sup>2</sup> Total for States with plans approved by Social Security Board.  
<sup>3</sup> Includes program administered without Federal participation.  
<sup>4</sup> Increase of less than 0.05 percent.  
<sup>5</sup> Not computed; less than 100 recipients.  
<sup>6</sup> Decrease of less than 0.05 percent.  
<sup>7</sup> No program in operation in May 1942.  
<sup>8</sup> Estimated.

**Aid to the blind.**—The number of recipients and amount of assistance payments changed less than 1 percent from the previous month (table 6). Recipients continued to decline for the fifth consecutive month and payments to increase for the third consecutive month.

**General assistance.**—The number of cases receiving assistance continued the uninterrupted

decline which began in February 1942 (table 4) by decreasing 5.3 percent in May. Assistance payments were 8.8 percent less than in April and 37.4 percent below the May 1942 figure.

**Federal work programs.**—As the WPA program neared the final stage of liquidation in May, only 5,700 persons were employed and payments dropped below \$2 million (table 8).

**Table 7.—Aid to dependent children: Recipients and payments to recipients, by State, May 1943<sup>1</sup>**

| State                               | Number of recipients |          | Payments to recipients |                    | Percentage change from— |          |        |              |          |        |
|-------------------------------------|----------------------|----------|------------------------|--------------------|-------------------------|----------|--------|--------------|----------|--------|
|                                     | Families             | Children | Total amount           | Average per family | April 1943 in—          |          |        | May 1942 in— |          |        |
|                                     |                      |          |                        |                    | Number of—              |          | Amount | Number of—   |          | Amount |
|                                     |                      |          |                        |                    | Families                | Children |        | Families     | Children |        |
| Total.....                          | 313,385              | 765,914  | \$11,875,525           | \$37.89            | -2.3                    | -2.2     | -2.3   | -21.5        | -20.3    | -11.9  |
| Total, 48 States <sup>2</sup> ..... | 310,400              | 759,654  | 11,817,224             | 38.05              | -2.4                    | -2.2     | -2.3   | -21.5        | -20.2    | -11.8  |
| Alabama.....                        | 4,735                | 13,095   | 89,033                 | 18.80              | -2.1                    | -2.4     | +2.6   | -14.8        | -17.7    | +5.4   |
| Alaska.....                         | 40                   | 180      | 1,978                  | 49.45              | 0                       | -8       | -1.8   | -21.6        | -17.8    | -21.5  |
| Arizona.....                        | 1,741                | 4,906    | 63,083                 | 36.23              | -2.3                    | -1.3     | -1.0   | -26.3        | -23.2    | -20.8  |
| Arkansas.....                       | 5,572                | 14,348   | 123,917                | 22.24              | -1.1                    | -1.4     | -1.0   | -11.5        | -12.0    | +36.8  |
| California.....                     | 8,731                | 21,193   | 550,934                | 63.10              | -1.7                    | -3.0     | -1.7   | -37.6        | -36.4    | -24.0  |
| Colorado.....                       | 4,372                | 11,229   | 145,534                | 33.29              | -2.5                    | -1.8     | -1.1   | -28.5        | -25.4    | -23.0  |
| Connecticut.....                    | 1,965                | 4,966    | 122,954                | 62.57              | -2.3                    | -2.1     | -9     | +22.8        | +21.9    | +41.8  |
| Delaware.....                       | 300                  | 775      | 12,529                 | 41.76              | -4.2                    | -3.4     | -3.0   | -37.0        | -45.4    | -22.8  |
| District of Columbia.....           | 839                  | 2,540    | 31,545                 | 37.60              | -2.6                    | -2.2     | -4.8   | -25.8        | -23.2    | -23.7  |
| Florida <sup>3</sup> .....          | 4,385                | 10,000   | 106,110                | 24.20              | -3.3                    | -3.4     | -3.4   | -24.7        | -27.4    | -23.5  |
| Georgia.....                        | 4,411                | 10,627   | 103,910                | 23.56              | -1.0                    | -9       | -4     | -5.7         | -7.0     | -1.0   |
| Hawaii.....                         | 628                  | 1,992    | 29,341                 | 46.72              | -1.4                    | -6       | +1.1   | -31.8        | -30.9    | -18.9  |
| Idaho.....                          | 2,101                | 5,582    | 74,569                 | 35.49              | -2.9                    | -2.9     | -2.9   | -31.2        | -28.4    | -24.2  |
| Illinois.....                       | 26,872               | 60,965   | 866,336                | 32.24              | +7                      | +8       | +5     | +16.2        | +16.7    | +16.4  |
| Indiana.....                        | 10,781               | 23,326   | 351,754                | 32.63              | -3.7                    | -3.1     | -3.2   | -29.0        | -26.0    | -24.2  |
| Iowa.....                           | 2,634                | 5,917    | 57,671                 | 20.38              | -1.5                    | -1.6     | +4.8   | -17.5        | -16.7    | -15.4  |
| Kansas.....                         | 4,954                | 12,248   | 206,501                | 41.68              | -3.2                    | -3.0     | -2.7   | -26.8        | -24.9    | -10.0  |
| Kentucky <sup>4</sup> .....         | 1,183                | 3,689    | 133,207                | 28.07              | +10.3                   | +9.9     | +6.7   | +157.2       | +144.3   | +105.0 |
| Louisiana.....                      | 12,396               | 31,686   | 386,401                | 31.17              | -2.3                    | -2.2     | -1     | -18.0        | -17.6    | -4.4   |
| Maine.....                          | 1,097                | 4,770    | 79,670                 | 46.95              | -9                      | -4       | +3     | -6.9         | -4.7     | +5.4   |
| Maryland.....                       | 3,826                | 10,734   | 130,605                | 34.12              | -3.4                    | -3.3     | -3.9   | -31.6        | -30.8    | -27.8  |
| Massachusetts.....                  | 8,822                | 21,869   | 574,258                | 65.09              | -2.1                    | -1.2     | -4.3   | -27.5        | -26.5    | -16.1  |
| Michigan.....                       | 15,343               | 36,122   | 892,161                | 58.15              | -3.0                    | -2.8     | -2.7   | -27.1        | -25.8    | -2.4   |
| Minnesota.....                      | 7,031                | 17,084   | 236,499                | 36.48              | -2.4                    | -2.2     | -2.1   | -23.0        | -21.8    | -19.3  |
| Mississippi.....                    | 2,473                | 6,297    | 50,312                 | 20.34              | +1.6                    | +1.5     | +2.4   | -5.1         | -5.7     | -4.1   |
| Missouri.....                       | 12,556               | 29,681   | 395,932                | 31.53              | -1.4                    | -7       | -8     | -11.5        | -8.8     | +19.1  |
| Montana.....                        | 1,995                | 4,834    | 62,608                 | 32.36              | -4.1                    | -4.9     | -4.4   | -27.2        | -26.7    | -23.7  |
| Nebraska.....                       | 3,846                | 8,810    | 123,820                | 32.19              | -3.6                    | -3.7     | -3.7   | -30.3        | -28.6    | -20.9  |
| Nevada.....                         | 111                  | 283      | 2,619                  | 23.82              | +1.8                    | -9       | -2.8   | -2.6         | -11.2    | -5.9   |
| New Hampshire.....                  | 810                  | 2,006    | 41,434                 | 51.15              | -1.1                    | -1.3     | -1.5   | -2.5         | -3.7     | +6.3   |
| New Jersey.....                     | 5,564                | 12,891   | 182,655                | 32.83              | -3.6                    | -3.5     | -3.5   | -35.6        | -34.6    | -33.7  |
| New Mexico.....                     | 2,299                | 6,665    | 90,129                 | 39.20              | -5                      | -4       | +1.8   | -3.4         | -4.3     | +36.2  |
| New York.....                       | 19,514               | 40,646   | 1,208,893              | 61.95              | -4.7                    | -4.4     | -5.5   | -30.7        | -27.6    | -12.5  |
| North Carolina.....                 | 8,210                | 19,375   | 148,850                | 18.13              | -2.0                    | -1.6     | -1.4   | -17.9        | -17.3    | -12.9  |
| North Dakota.....                   | 2,037                | 5,708    | 74,900                 | 36.77              | -1.8                    | -7       | +1.0   | -19.2        | -18.5    | -7.2   |
| Ohio.....                           | 9,737                | 25,543   | 440,792                | 45.27              | -1.9                    | -1.9     | +6     | -16.1        | -16.2    | +1.0   |
| Oklahoma.....                       | 16,067               | 37,768   | 369,575                | 23.00              | -1.9                    | -1.8     | -7     | -16.4        | -16.4    | -11.9  |
| Oregon.....                         | 1,422                | 3,374    | 83,567                 | 58.77              | -3.0                    | -2.4     | -1.2   | -31.2        | -30.7    | -11.0  |
| Pennsylvania.....                   | 30,958               | 79,393   | 1,480,303              | 47.82              | -4.9                    | -4.7     | -5.1   | -38.4        | -37.1    | -27.3  |
| Rhode Island.....                   | 1,161                | 3,143    | 69,076                 | 59.50              | -1.0                    | -7       | +8     | -9.2         | -11.7    | +3.7   |
| South Carolina.....                 | 3,647                | 10,568   | 70,344                 | 19.29              | -1.6                    | -8       | +2     | -9.4         | -10.7    | +6.5   |
| South Dakota.....                   | 1,769                | 4,093    | 54,016                 | 30.53              | -8                      | -4       | +1     | -5.4         | -6.3     | +1.1   |
| Tennessee.....                      | 13,082               | 33,107   | 276,685                | 21.15              | -1.6                    | -1.3     | +2.9   | -6.1         | -4.2     | +5.4   |
| Texas.....                          | 11,897               | 26,587   | 253,914                | 21.34              | -3                      | -7       | -5     | -5.3         | -3       | -2.6   |
| Utah.....                           | 2,125                | 5,619    | 105,973                | 49.87              | -8                      | -1.0     | +1.4   | -42.8        | -42.5    | -35.2  |
| Vermont.....                        | 651                  | 1,677    | 21,529                 | 33.07              | +2.2                    | +1.1     | +1.7   | -10.3        | -13.5    | -9.2   |
| Virginia.....                       | 4,345                | 12,242   | 93,964                 | 21.63              | -1.6                    | -1.8     | -1.0   | -13.6        | -15.3    | -9.1   |
| Washington.....                     | 3,454                | 8,450    | 208,348                | 60.32              | -7                      | -8       | +1.3   | -31.2        | -30.5    | -1.1   |
| West Virginia.....                  | 9,336                | 25,833   | 279,811                | 29.97              | -4.8                    | -4.4     | -5.4   | -24.6        | -21.5    | -27.1  |
| Wisconsin.....                      | 8,501                | 20,222   | 381,178                | 44.84              | -3.1                    | -3.3     | -2.3   | -25.9        | -24.0    | -15.6  |
| Wyoming.....                        | 517                  | 1,376    | 17,765                 | 34.36              | -3.5                    | -4.2     | -3.7   | -32.2        | -31.0    | -31.3  |

<sup>1</sup> For definitions of terms, see the Bulletin, September 1941, pp. 50-52. Figures in italics represent programs administered without Federal participation.

<sup>2</sup> Total for States with plans approved by Social Security Board.

<sup>3</sup> Includes program administered without Federal participation.

<sup>4</sup> Partly estimated.

<sup>5</sup> No approved plan for May 1942. Percentage change based on program without Federal participation.

<sup>6</sup> In addition, in 56 counties payments amounting to \$5,094 were made from local funds without State or Federal participation to 287 families in behalf of 539 children under State mothers'-pension law; some of these families also received aid under approved plan.

The number of persons employed under the NYA student work program declined 8.7 percent and the earnings of these persons 6.9 percent from

the previous month. The decrease from May 1942 in number of persons employed was 59 percent, and in earnings, 51 percent.

Table 8.—Public assistance and Federal work programs, by State, May 1943 <sup>1</sup>

| State                     | Number of recipients and persons employed       |                                      |                  |                            |  |                              | Amount of assistance and earnings (in thousands) |   |                    |  |   |
|---------------------------|---|--------------------------------------|------------------|----------------------------|--|------------------------------|--|---|--------------------|--|---|
|                           | Special types of public assistance <sup>2</sup> |                                      |                  | General assistance (cases) | National Youth Administration student work program | Work Projects Administration | Total  | Special types of public assistance <sup>3</sup> | General assistance | National Youth Administration student work program | Work Projects Administration <sup>4</sup> |
|                           | Old-age assistance                              | Aid to dependent children (families) | Aid to the blind |                            |  |                              |  |   |                    |  |   |
| Total.....                | 2,172,994                                       | 313,385                              | 77,480           | 376,000                    | 88,509   | 5,729                        | \$79,029   | \$66,651  | \$20,640           | \$758  | \$1,960                                   |
| Alabama.....              | 22,056  | 4,735                                | 650              | 2,261                      | 4,699  | 343                          | 506  | 328   | 24                 | 35   | 119                                       |
| Alaska.....               | 1,492   | 40                                   | 40               | 181                        | 181  | 4                            | 54   | 49  | 6                  | 3  | 2   |
| Arizona.....              | 9,646   | 1,741                                | 395              | 2,333                      | 288  | 77                           | 518  | 438   | 61                 | 12   | 16  |
| Arkansas.....             | 25,763  | 5,572                                | 1,190            | 3,164                      | 1,823  | 200                          | 605  | 520   | 26                 | 12   | 47  |
| California.....           | 151,412   | 8,731                                | 6,736            | 14,101                     | 2,310  | 247                          | 7,034  | 6,549   | 393                | 26   | 66  |
| Colorado.....             | 41,451  | 4,372                                | 609              | 5,047                      | 1,058  | 57                           | 1,900  | 1,830   | 113                | 9  | 9   |
| Connecticut.....          | 15,968  | 1,965                                | 186              | 3,494                      | 314  | 44                           | 716  | 611   | 101                | 3  | 1   |
| Delaware.....             | 1,932   | 300                                  | 277              | 400                        | 115  | 49                           | 49   | 38  | 9                  | 1  | ( <sup>5</sup> )                          |
| District of Columbia..... | 3,185   | 839                                  | 277              | 978                        | 274  | 100                          | 190  | 129   | 24                 | 4  | 33  |
| Florida.....              | 41,337  | 4,385                                | 2,491            | 5,300                      | 1,385  | 146                          | 904  | 746   | 43                 | 11   | 104                                       |
| Georgia.....              | 70,366  | 4,411                                | 2,202            | 3,586                      | 4,070  | 205                          | 966  | 817   | 33                 | 22   | 94  |
| Hawaii.....               | 1,512   | 628                                  | 80               | 609                        | 4  | 4                            | 71   | 57  | 14                 | 3  | 2   |
| Idaho.....                | 9,887   | 2,101                                | 253              | 828                        | 365  | 11                           | 367  | 348   | 14                 | 3  | 2   |
| Illinois.....             | 147,637   | 26,872                               | 7,041            | 44,731                     | 4,337  | 528                          | 6,666  | 5,283   | 1,208              | 43   | 132                                       |
| Indiana.....              | 65,641  | 10,781                               | 2,335            | 8,656                      | 1,261  | 38                           | 2,029  | 1,858   | 150                | 12   | 9   |
| Iowa.....                 | 54,174  | 6,634                                | 1,507            | 7,488                      | 2,000  | 25                           | 1,476  | 1,320   | 127                | 21   | 8   |
| Kansas.....               | 30,066  | 4,954                                | 1,229            | 4,752                      | 1,541  | 16                           | 1,128  | 1,002   | 106                | 13   | 5   |
| Kentucky.....             | 50,983  | 11,183                               | 986              | 2,000                      | 1,991  | 147                          | 681  | 571   | 30                 | 15   | 65  |
| Louisiana.....            | 37,507  | 12,396                               | 1,440            | 5,237                      | 2,812  | 101                          | 1,295  | 1,137   | 102                | 23   | 34  |
| Maine.....                | 15,776  | 1,697                                | 972              | 2,868                      | 502  | 3                            | 533  | 454   | 73                 | 5  | 1   |
| Maryland.....             | 14,230  | 3,828                                | 520              | 5,021                      | 600  | 39                           | 599  | 446   | 122                | 7  | 23  |
| Massachusetts.....        | 82,697  | 8,822                                | 997              | 17,335                     | 1,181  | 320                          | 4,076  | 3,484   | 451                | 13   | 127                                       |
| Michigan.....             | 87,889  | 15,343                               | 1,323            | 14,876                     | 3,116  | 155                          | 3,756  | 3,300   | 387                | 28   | 42  |
| Minnesota.....            | 60,832  | 7,031                                | 1,009            | 9,184                      | 2,307  | 62                           | 1,980  | 1,732   | 210                | 20   | 18  |
| Mississippi.....          | 24,994  | 2,473                                | 1,293            | 410                        | 2,180  | 132                          | 1,426  | 1,292   | 3                  | 16   | 115                                       |
| Missouri.....             | 109,327   | 12,556                               | 5,100            | 7,791                      | 2,807  | 150                          | 2,861  | 2,683   | 126                | 23   | 31  |
| Montana.....              | 11,986  | 1,935                                | 321              | 1,484                      | 471  | 29                           | 406  | 367   | 28                 | 5  | 6   |
| Nebraska.....             | 27,348  | 3,846                                | 653              | 2,430                      | 1,069  | 100                          | 804  | 747   | 35                 | 9  | 13  |
| Nevada.....               | 2,036   | 111                                  | 80               | 328                        | 36   | 5                            | 77   | 71  | 5                  | 1  | 1   |
| New Hampshire.....        | 6,988   | 810                                  | 310              | 1,974                      | 271  | 18                           | 273  | 222   | 47                 | 3  | 1   |
| New Jersey.....           | 27,019  | 5,564                                | 637              | 10,261                     | 818  | 268                          | 1,224  | 863   | 272                | 8  | 82  |
| New Mexico.....           | 5,025   | 2,299                                | 232              | 1,254                      | 390  | 13                           | 254  | 230   | 20                 | 3  | 1   |
| New York.....             | 107,908   | 19,514                               | 2,534            | 86,477                     | 6,120  | 590                          | 8,452  | 4,575   | 3,522              | 68   | 296                                       |
| North Carolina.....       | 37,301  | 8,210                                | 2,182            | 2,937                      | 2,552  | 131                          | 684  | 579   | 25                 | 24   | 56  |
| North Dakota.....         | 9,124   | 2,037                                | 129              | 1,160                      | 945  | 8                            | 317  | 287   | 22                 | 7  | 2   |
| Ohio.....                 | 135,093   | 9,737                                | 3,618            | 16,667                     | 3,746  | 186                          | 4,653  | 4,214   | 367                | 31   | 42  |
| Oklahoma.....             | 77,372  | 16,067                               | 2,077            | 5,723                      | 2,635  | 28                           | 2,215  | 2,149   | 35                 | 20   | 10  |
| Oregon.....               | 19,680  | 1,422                                | 403              | 2,915                      | 493  | 5                            | 739  | 641   | 80                 | 5  | 4   |
| Pennsylvania.....         | 90,756  | 30,958                               | 15,814           | 30,981                     | 4,357  | 604                          | 5,121  | 4,266   | 506                | 40   | 219                                       |
| Rhode Island.....         | 7,240   | 1,161                                | 96               | 2,061                      | 231  | 14                           | 341  | 263   | 73                 | 3  | 3   |
| South Carolina.....       | 20,966  | 3,647                                | 808              | 2,330                      | 2,998  | 52                           | 356  | 301   | 19                 | 20   | 15  |
| South Dakota.....         | 14,104  | 1,769                                | 245              | 1,361                      | 1,091  | 17                           | 389  | 356   | 22                 | 8  | 4   |
| Tennessee.....            | 39,241  | 13,082                               | 1,610            | 1,800                      | 2,667  | 143                          | 903  | 813   | 14                 | 21   | 55  |
| Texas.....                | 182,006   | 11,897                               | 4,336            | 5,000                      | 6,626  | 117                          | 4,030  | 3,901   | 58                 | 57   | 14  |
| Utah.....                 | 13,789  | 2,125                                | 123              | 1,761                      | 506  | 17                           | 591  | 530   | 82                 | 5  | 3   |
| Vermont.....              | 5,421   | 651                                  | 133              | 1,150                      | 256  | 2                            | 150  | 126   | 22                 | 2  | ( <sup>5</sup> )                          |
| Virginia.....             | 18,021  | 4,345                                | 1,016            | 3,772                      | 1,984  | 18                           | 371  | 304   | 43                 | 17   | 7   |
| Washington.....           | 61,869  | 3,454                                | 830              | 5,345                      | 613  | 54                           | 2,526  | 2,346   | 156                | 7  | 17  |
| West Virginia.....        | 20,501  | 9,336                                | 916              | 8,745                      | 1,692  | 132                          | 774  | 641   | 100                | 12   | 22  |
| Wisconsin.....            | 50,897  | 8,501                                | 1,743            | 8,477                      | 2,452  | 27                           | 1,919  | 1,709   | 180                | 23   | 7   |
| Wyoming.....              | 3,403   | 517                                  | 123              | 565                        | 154  | 1                            | 141  | 128   | 12                 | 1  | ( <sup>5</sup> )                          |

<sup>1</sup> See footnotes, table 2.

<sup>2</sup> Figures in italics represent programs administered without Federal participation.

<sup>3</sup> Includes data for programs administered without Federal participation.

<sup>4</sup> Represents sum of pay rolls approved during month; because of time lag, earnings cannot be related to average number of persons employed.

<sup>5</sup> Partly estimated; does not represent sum of State figures, because total excludes cases and payments for medical care, hospitalization, burial, and/or nursing-home care only in 2 States, and cases aided in Oklahoma have been estimated to exclude duplication.

<sup>6</sup> State program only; excludes program administered by local officials.

<sup>7</sup> Estimated.

<sup>8</sup> Less than \$500.

<sup>9</sup> Excludes assistance in kind and cases receiving assistance in kind only and, for a few counties, cash payments and cases receiving cash payments. Amount of payments shown represents approximately 70 percent of total.

<sup>10</sup> Includes unknown number of cases receiving medical care, hospitalization, burial, and/or nursing-home care only, and total payments for these services.

<sup>11</sup> Partly estimated.

<sup>12</sup> Includes cases receiving medical care only; number believed by State agency to be insignificant.

<sup>13</sup> Represents 3,093 cases aided under program administered by State board of public welfare, and 2,630 cases aided by county commissioners; amount of duplication believed to be large.



# EMPLOYMENT SECURITY

BUREAU OF EMPLOYMENT SECURITY • PROGRAM DIVISION

## Operations of the Unemployment Compensation Program

**May activities.**—Despite the 10-percent increase in initial-claim receipts from March to April, benefit disbursements in May dropped 13 percent to \$6.4 million. Eleven States, however—for the most part States with new uniform benefit years—reported increases, which ranged from 2 percent in New Hampshire to 132 percent in West Virginia and averaged 28 percent for the group. Total payments in all jurisdictions were only one-fifth the amount paid out during the same month last year and slightly more than one-tenth (11.6 percent) the amount paid during May 1940, when payments were at a high level.

Benefit payments during the period January–May 1943 reflect the low volume of initial-claim receipts and the short duration of benefits actually received; the total amount paid during this period was less than one-fourth that for the comparable period of 1942, and in six States—Michigan, Montana, Nevada, New Mexico, Utah, and Wyoming—it was less than one-tenth the previous year's amount.

The volume of initial claims received in local offices during the month decreased 13 percent from April, indicating that June benefit payments may fall still further. Only five States reported

increases; the most significant was that for New York, where initial claims almost doubled in anticipation of the new uniform benefit year beginning in June (table 2).

Local offices throughout the country received 602,000 continued claims, a decrease of 12 percent from the previous month's figure and 79 percent less than in May 1942. Since the volume of waiting-period claims received in April was inflated by the large number of new benefit years estab-

Chart 1.—Number of initial and continued claims received in local offices, by month, January 1940–May 1943

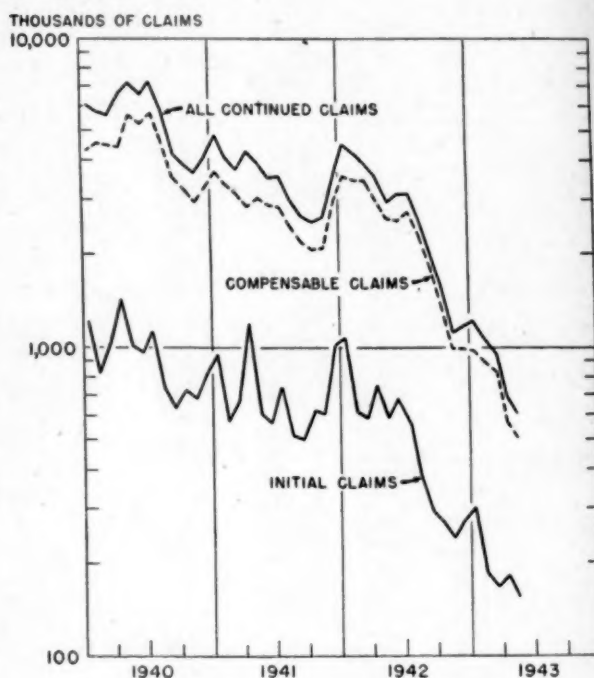


Table 1.—Summary of unemployment compensation operations, May 1943

| Item   | Number or amount | Percentage change from— |          |
|--|------------------|-------------------------|----------|
|  |                  | April 1943              | May 1942 |
| Initial claims <sup>1</sup>                    | 155,191          | –13.3                   | –72.8    |
| Continued claims <sup>2</sup>                  | 602,479          | –11.5                   | –79.0    |
| Waiting-period                                 | 96,607           | –20.1                   | –73.6    |
| Compensable                                    | 508,572          | –9.7                    | –79.8    |
| Weeks compensated                              | 483,296          | –13.3                   | –81.2    |
| Total unemployment                             | 430,377          | –15.4                   | –81.8    |
| Part-total unemployment <sup>3</sup>           | 12,980           | –13.8                   | –85.0    |
| Partial unemployment <sup>4</sup>              | 29,592           | +21.1                   | –76.0    |
| Weekly average number of beneficiaries         | 119,477          | –9.0                    | –80.4    |
| Gross benefits paid                            | \$6,382,796      | –13.2                   | –79.9    |
| Net benefits paid since benefits first payable | \$2,079,634,959  |                         |          |
| Funds available for benefits as of May 31      | \$3,983,642,833  | +4.2                    | +37.5    |

<sup>1</sup> Excludes California claims taken by USES personnel; data not reported.

<sup>2</sup> Based on 50 States; California data not comparable.

<sup>3</sup> Excludes New York because data not reported, and Montana and Pennsylvania, which have no provisions for partial and part-total unemployment.

<sup>4</sup> Based on 48 States reporting this type of payment during both periods.

<sup>5</sup> Based on 47 States reporting this type of payment during both periods.

lished in that month, the relative decrease from April in waiting-period claims was much sharper than the drop in compensable claims. Of the 11 States reporting increases in total continued claims, the largest relative gain—236 percent—was reported by Arizona, where more than 4,200 interstate claims were taken at the Gila River Project (War Relocation Authority) for transmittal to California for payment.

During May, the average weekly number of beneficiaries was 119,500 (table 3), the smallest number in the history of the program and about 13 percent of the total number of unemployed in the

month (900,000) as estimated by the Bureau of the Census. Six States with the largest relative amount of compensable unemployment—Illinois, Maine, New Jersey, New York, Rhode Island, and

Table 2.—Initial and continued claims received in local offices, by State, May 1943

[Data reported by State agencies, corrected to June 24, 1943]

| Social Security Board region and State | Initial claims |                         |                  |                  |                         | Continued claims |                         |                  |                |             |
|--|----------------|-------------------------|------------------|------------------|-------------------------|------------------|-------------------------|------------------|----------------|-------------|
|  | Number         | Percentage change from— |                  | New <sup>1</sup> | Additional <sup>1</sup> | Number           | Percentage change from— |                  | Waiting period | Compensable |
|  |                | April 1943              | May 1942         |                  |                         |                  | April 1943              | May 1942         |                |             |
| Total <sup>2</sup>                     | 155,191        | -13.3                   | -72.8            |                  |                         | 602,479          | -11.5                   | -79.0            | 96,907         | 505,572     |
| Region I:                              |                |                         |                  |                  |                         |                  |                         |                  |                |             |
| Connecticut                            | 1,584          | -35.1                   | -77.9            | 1,301            | 223                     | 3,124            | +3.6                    | -89.2            | 695            | 2,429       |
| Maine                                  | 1,251          | -44.0                   | -58.1            | 1,044            | 207                     | 7,306            | +36.0                   | -60.9            | 1,572          | 5,734       |
| Massachusetts                          | 5,245          | -39.4                   | -82.0            | 4,108            | 1,137                   | 18,793           | -2.9                    | -86.1            | 3,677          | 15,116      |
| New Hampshire                          | 841            | -2.0                    | -65.4            | 587              | 254                     | 3,637            | +4.4                    | -67.9            | 610            | 3,027       |
| Rhode Island                           | 2,057          | -40.8                   | -74.0            | 1,743            | 314                     | 8,511            | -7.7                    | -86.7            | 748            | 7,763       |
| Vermont                                | 112            | -37.8                   | -84.4            | 84               | 28                      | 1,006            | -8.1                    | -71.8            | 106            | 900         |
| Region II:                             |                |                         |                  |                  |                         |                  |                         |                  |                |             |
| New York                               | 49,405         | +95.4                   | -72.3            | 30,042           | 19,363                  | 112,482          | -14.7                   | -66.4            | 25,291         | 87,191      |
| Region III:                            |                |                         |                  |                  |                         |                  |                         |                  |                |             |
| Delaware                               | 296            | -28.5                   | -70.7            | 161              | 135                     | 1,828            | +4.8                    | -59.0            | 79             | 1,749       |
| New Jersey                             | 8,116          | -22.2                   | -73.0            | 4,572            | 3,544                   | 33,848           | -14.8                   | -71.1            | 4,705          | 29,143      |
| Pennsylvania                           | 6,151          | -27.8                   | -69.9            | 1,615            | ( <sup>3</sup> )        | 44,152           | -11.7                   | -67.7            | 8,889          | 35,263      |
| Region IV:                             |                |                         |                  |                  |                         |                  |                         |                  |                |             |
| District of Columbia                   | 306            | -20.7                   | -64.9            | 274              | 32                      | 2,240            | -8.7                    | -71.6            | 287            | 1,953       |
| Maryland                               | 1,173          | -46.6                   | -73.5            | 1,173            | ( <sup>3</sup> )        | 7,375            | -13.0                   | -84.7            | 698            | 6,677       |
| North Carolina                         | 2,031          | +8.4                    | -61.3            | 1,666            | 365                     | 10,632           | -18.2                   | -74.6            | 1,333          | 9,319       |
| Virginia                               | 1,744          | -63.2                   | -58.8            | 1,677            | 67                      | 12,153           | +37.9                   | -73.4            | 1,458          | 10,695      |
| West Virginia                          | 1,584          | -43.4                   | -63.9            | 1,411            | 173                     | 6,916            | +24.1                   | -76.2            | 683            | 6,233       |
| Region V:                              |                |                         |                  |                  |                         |                  |                         |                  |                |             |
| Kentucky                               | 1,948          | -42.4                   | -58.3            | 1,550            | 398                     | 14,294           | +11.3                   | -55.0            | 889            | 13,405      |
| Michigan                               | 3,730          | -37.7                   | -88.0            | 2,641            | 1,089                   | 15,619           | -32.6                   | -94.1            | 1,440          | 14,179      |
| Ohio                                   | 2,699          | -1                      | -81.8            | 2,699            | ( <sup>3</sup> )        | 11,408           | -18.8                   | -91.3            | 2,520          | 8,888       |
| Region VI:                             |                |                         |                  |                  |                         |                  |                         |                  |                |             |
| Illinois                               | 25,489         | -33.7                   | -66.8            | 18,453           | 7,036                   | 72,777           | +8.9                    | -79.1            | 12,402         | 60,375      |
| Indiana                                | 2,588          | -24.2                   | -74.3            | 2,588            | ( <sup>3</sup> )        | 17,829           | -6.5                    | -78.1            | 1,720          | 16,109      |
| Wisconsin                              | 1,327          | -18.5                   | -75.8            | ( <sup>3</sup> ) | ( <sup>3</sup> )        | 6,164            | -33.1                   | -82.9            | 1,396          | 4,768       |
| Region VII:                            |                |                         |                  |                  |                         |                  |                         |                  |                |             |
| Alabama                                | 1,744          | -30.2                   | -67.7            | 1,256            | 488                     | 12,624           | -10.9                   | -62.5            | 2,394          | 10,230      |
| Florida                                | 1,314          | -1.7                    | -79.6            | 1,314            | ( <sup>3</sup> )        | 7,369            | -24.7                   | -85.0            | 497            | 6,872       |
| Georgia                                | 1,570          | -36.8                   | -68.9            | 974              | 596                     | 10,674           | -22.0                   | -80.7            | 1,838          | 8,836       |
| Mississippi                            | 733            | -16.4                   | -81.3            | 578              | 155                     | 3,461            | -21.9                   | -87.1            | 315            | 3,143       |
| South Carolina                         | 1,292          | -26.7                   | -77.3            | 912              | 380                     | 6,919            | -26.2                   | -73.6            | 711            | 6,208       |
| Tennessee                              | 2,405          | -27.2                   | -65.1            | 1,979            | 426                     | 18,151           | -15.9                   | -74.5            | 2,176          | 15,975      |
| Region VIII:                           |                |                         |                  |                  |                         |                  |                         |                  |                |             |
| Iowa                                   | 1,094          | -32.0                   | -72.1            | 916              | 178                     | 5,662            | -13.2                   | -78.1            | 1,220          | 4,442       |
| Minnesota                              | 2,259          | -46.8                   | -66.4            | 1,311            | 948                     | 11,456           | -33.2                   | -74.8            | 1,841          | 9,615       |
| Nebraska                               | 259            | -29.6                   | -79.1            | 171              | 88                      | 1,418            | -28.3                   | -83.4            | 196            | 1,222       |
| North Dakota                           | 35             | ( <sup>3</sup> )        | ( <sup>3</sup> ) | 22               | 13                      | 248              | -60.4                   | -93.7            | 4              | 244         |
| South Dakota                           | 80             | -23.1                   | -74.8            | 70               | 10                      | 653              | -34.3                   | -83.4            | 46             | 607         |
| Region IX:                             |                |                         |                  |                  |                         |                  |                         |                  |                |             |
| Arkansas                               | 721            | +7                      | -59.9            | 569              | 152                     | 3,585            | -16.5                   | -78.3            | 277            | 3,308       |
| Kansas                                 | 1,335          | +9.0                    | -58.2            | 1,028            | 307                     | 6,006            | -1.8                    | -73.7            | 725            | 5,281       |
| Missouri                               | 4,494          | -2.6                    | -64.4            | 3,127            | 1,367                   | 16,904           | -20.0                   | -81.7            | 3,641          | 13,263      |
| Oklahoma                               | 1,481          | -21.8                   | -63.6            | 1,085            | 396                     | 6,358            | -13.9                   | -85.5            | 567            | 5,791       |
| Region X:                              |                |                         |                  |                  |                         |                  |                         |                  |                |             |
| Louisiana                              | 2,072          | -27.9                   | -74.4            | 1,704            | 368                     | 10,869           | -27.6                   | -82.6            | 1,716          | 9,153       |
| New Mexico                             | 109            | -55.0                   | -84.8            | 88               | 21                      | 545              | -35.0                   | -92.7            | 29             | 516         |
| Texas                                  | 2,076          | -13.4                   | -83.7            | ( <sup>3</sup> ) | ( <sup>3</sup> )        | 10,778           | -17.2                   | -87.1            | 877            | 9,901       |
| Region XI:                             |                |                         |                  |                  |                         |                  |                         |                  |                |             |
| Colorado                               | 520            | -50.6                   | -62.7            | 477              | 43                      | 2,862            | +2.5                    | -76.0            | 512            | 2,350       |
| Idaho                                  | 125            | -64.8                   | -83.4            | 66               | 59                      | 1,347            | -41.2                   | -76.0            | 102            | 1,245       |
| Montana                                | 100            | -51.2                   | -87.5            | 65               | 35                      | 731              | -50.5                   | -90.8            | 87             | 644         |
| Utah                                   | 57             | -13.6                   | -91.3            | 35               | 22                      | 229              | -47.7                   | -95.2            | 15             | 214         |
| Wyoming                                | 26             | ( <sup>3</sup> )        | ( <sup>3</sup> ) | 24               | 2                       | 93               | -33.1                   | -95.4            | 5              | 88          |
| Region XII:                            |                |                         |                  |                  |                         |                  |                         |                  |                |             |
| Arizona                                | 272            | -66.3                   | -76.2            | 255              | 17                      | 5,228            | +236.4                  | -18.1            | 67             | 5,161       |
| California <sup>4</sup>                | 8,231          | -27.8                   | ( <sup>3</sup> ) | 3,871            | 4,360                   | 41,674           | -13.3                   | ( <sup>3</sup> ) | 4,953          | 36,721      |
| Nevada                                 | 42             | ( <sup>3</sup> )        | ( <sup>3</sup> ) | 28               | 14                      | 198              | -45.9                   | -89.5            | 12             | 186         |
| Oregon                                 | 394            | -54.9                   | -77.6            | 265              | 129                     | 1,930            | -43.6                   | -78.1            | 346            | 1,584       |
| Washington                             | 527            | -60.8                   | -86.1            | 322              | 205                     | 1,974            | -31.1                   | -87.6            | 414            | 1,560       |
| Territories:                           |                |                         |                  |                  |                         |                  |                         |                  |                |             |
| Alaska                                 | 3              | ( <sup>3</sup> )        | ( <sup>3</sup> ) | 0                | 3                       | 52               | -93.0                   | -66.2            | 0              | 52          |
| Hawaii                                 | 144            | +26.3                   | +20.0            | 131              | 13                      | 367              | +83.5                   | -84.5            | 123            | 244         |

<sup>1</sup> State procedures do not provide for filing additional claims in Florida, Indiana, Maryland, Ohio, and Pennsylvania.

<sup>2</sup> Excludes California claims taken by USES personnel; data not reported.

<sup>3</sup> Based on data for 50 States; California data not comparable.

<sup>4</sup> Excludes all claims for partial unemployment.

<sup>5</sup> Distribution by type of claim not available. In Wisconsin, provisions of State law are not comparable with those of other States.

<sup>6</sup> Not computed, because fewer than 50 initial claims were reported in either or both periods.

<sup>7</sup> Data not comparable.

**Table 3.—Number of beneficiaries, number of weeks compensated, and amount of benefits paid, May 1943, and funds available for benefits as of May 31, 1943, by State**

[Data reported by State agencies, corrected to June 18, 1943]

| Social Security Board region and State | Beneficiaries         |                         |          | Weeks compensated for specified types of unemployment |         |                         |                      | Benefits paid <sup>2</sup> |                         |          | Funds available for benefits <sup>3</sup> as of May 31, 1943 |
|--|-----------------------|-------------------------|----------|---|---------|-------------------------|----------------------|----------------------------|-------------------------|----------|--|
|  | Average weekly number | Percentage change from— |          | All types   | Total   | Part-total <sup>1</sup> | Partial <sup>1</sup> | Amount                     | Percentage change from— |          |  |
|  |                       | April 1943              | May 1942 |   |         |                         |                      |                            | April 1943              | May 1942 |  |
| Total.....                             | 119,477               | -9.0                    | -80.4    | 483,296   | 430,377 | 12,980                  | 29,592               | \$93,382,796               | -13.2                   | -79.9    | \$3,983,642,833  |
| Region I:                              |                       |                         |          |   |         |                         |                      |                            |                         |          |  |
| Connecticut.....                       | 786                   | +47.5                   | -86.0    | 3,069   | 2,851   | 29                      | 189                  | 47,160                     | +21.1                   | -85.4    | 104,895,176  |
| Maine.....                             | 1,294                 | +127.0                  | -70.0    | 5,515   | 3,521   | 167                     | 1,827                | 45,563                     | +85.1                   | -70.6    | 18,726,340   |
| Massachusetts.....                     | 3,326                 | -2.1                    | -87.6    | 13,396  | 12,253  | 105                     | 1,038                | 165,652                    | -9.2                    | -86.7    | 153,642,846  |
| New Hampshire.....                     | 709                   | -1                      | -70.7    | 3,015   | 2,710   | 8                       | 297                  | 30,492                     | +2.3                    | -63.9    | 14,063,599   |
| Rhode Island.....                      | 1,987                 | +6.7                    | -86.0    | 8,387   | 7,233   | 1                       | 1,153                | 124,740                    | +19.2                   | -82.3    | 40,810,909   |
| Vermont.....                           | 194                   | -5.4                    | -70.2    | 757   | 690     | 27                      | 40                   | 8,032                      | -19.9                   | -70.7    | 7,342,050  |
| Region II:                             |                       |                         |          |   |         |                         |                      |                            |                         |          |  |
| New York.....                          | 24,775                | -14.9                   | -65.1    | 97,532  | 87,185  | ( <sup>1</sup> )        | ( <sup>1</sup> )     | 1,399,016                  | -20.0                   | -60.3    | 498,133,922  |
| Region III:                            |                       |                         |          |   |         |                         |                      |                            |                         |          |  |
| Delaware.....                          | 415                   | +51.3                   | -59.3    | 1,673   | 1,364   | 22                      | 287                  | 14,557                     | +10.0                   | -59.7    | 11,600,592   |
| New Jersey.....                        | 7,523                 | -10.2                   | -66.3    | 28,868  | 26,059  | 87                      | 2,722                | 423,418                    | -20.6                   | -64.5    | 264,538,480  |
| Pennsylvania.....                      | 6,118                 | -14.1                   | -73.2    | 24,410  | 24,410  | ( <sup>1</sup> )        | ( <sup>1</sup> )     | 349,896                    | -15.7                   | -67.0    | 391,603,742  |
| Region IV:                             |                       |                         |          |   |         |                         |                      |                            |                         |          |  |
| District of Columbia.....              | 526                   | -12.0                   | -68.8    | 2,234   | 2,158   | 63                      | 13                   | 33,630                     | -10.5                   | -63.1    | 36,698,748   |
| Maryland.....                          | 1,738                 | +2.3                    | -82.4    | 6,961   | 5,374   | 54                      | 1,533                | 92,549                     | -2                      | -81.3    | 68,736,538   |
| North Carolina.....                    | 2,212                 | -25.3                   | -76.4    | 9,389   | 8,692   | 92                      | 605                  | 60,013                     | -23.7                   | -77.2    | 59,459,990   |
| Virginia.....                          | 2,610                 | +142.1                  | -73.2    | 11,379  | 10,885  | 275                     | 219                  | 107,213                    | +90.6                   | -73.4    | 42,053,114   |
| West Virginia.....                     | 1,169                 | +105.1                  | -76.1    | 5,171   | 4,171   | 0                       | 1,000                | 81,397                     | +131.7                  | -66.5    | 43,764,758   |
| Region V:                              |                       |                         |          |   |         |                         |                      |                            |                         |          |  |
| Kentucky.....                          | 2,160                 | +26.6                   | -71.8    | 9,417   | 8,413   | 521                     | 483                  | 82,329                     | +23.6                   | -69.3    | 58,030,063   |
| Michigan.....                          | 4,135                 | -15.8                   | -93.8    | 15,593  | 14,887  | 414                     | 294                  | 244,998                    | -26.3                   | -94.6    | 172,178,672  |
| Ohio.....                              | 1,908                 | -34.2                   | -93.0    | 8,105   | 7,274   | 207                     | 624                  | 109,106                    | -20.0                   | -92.1    | 300,340,640  |
| Region VI:                             |                       |                         |          |   |         |                         |                      |                            |                         |          |  |
| Illinois.....                          | 14,700                | +36.7                   | -79.3    | 59,778  | 49,620  | 3,200                   | 6,958                | 883,416                    | +18.7                   | -79.8    | 349,025,711  |
| Indiana.....                           | 4,016                 | -1.1                    | -76.9    | 17,110  | 15,190  | 711                     | 1,209                | 225,297                    | -3.5                    | -74.9    | 104,466,672  |
| Wisconsin.....                         | 1,042                 | -43.0                   | -84.9    | 4,025   | 3,227   | 207                     | 591                  | 48,579                     | -44.7                   | -86.3    | 91,835,985   |
| Region VII:                            |                       |                         |          |   |         |                         |                      |                            |                         |          |  |
| Alabama.....                           | 2,448                 | -13.9                   | -58.9    | 10,209  | 9,776   | 401                     | 32                   | 110,010                    | -13.7                   | -51.0    | 41,707,126   |
| Florida.....                           | 813                   | -33.3                   | -91.4    | 3,738   | 3,458   | 224                     | 56                   | 43,060                     | -22.7                   | -89.7    | 25,559,582   |
| Georgia.....                           | 1,887                 | -28.1                   | -81.2    | 8,515   | 8,254   | 185                     | 76                   | 80,442                     | -21.8                   | -80.5    | 45,315,613   |
| Mississippi.....                       | 581                   | -22.8                   | -88.2    | 2,433   | 2,295   | 61                      | 77                   | 26,992                     | -18.1                   | -85.5    | 12,010,090   |
| South Carolina.....                    | 950                   | -26.9                   | -81.0    | 3,947   | 3,743   | 96                      | 108                  | 38,780                     | -27.9                   | -76.7    | 24,181,804   |
| Tennessee.....                         | 3,961                 | -5.3                    | -69.3    | 16,199  | 15,482  | 401                     | 316                  | 171,008                    | -10.8                   | -68.0    | 38,218,261   |
| Region VIII:                           |                       |                         |          |   |         |                         |                      |                            |                         |          |  |
| Iowa.....                              | 995                   | -19.1                   | -79.0    | 3,891   | 3,584   | 211                     | 96                   | 37,821                     | -30.0                   | -80.4    | 34,108,002   |
| Minnesota.....                         | 2,331                 | -40.1                   | -75.8    | 8,988   | 8,183   | 575                     | 230                  | 111,675                    | -42.6                   | -75.6    | 40,972,849   |
| Nebraska.....                          | 291                   | -31.0                   | -83.0    | 1,164   | 987     | 49                      | 128                  | 13,482                     | -29.0                   | -79.4    | 14,920,288   |
| North Dakota.....                      | 56                    | -55.2                   | -93.1    | 281   | 194     | 13                      | 74                   | 2,510                      | -46.3                   | -92.4    | 3,230,463  |
| South Dakota.....                      | 113                   | +7.6                    | -85.4    | 448   | 388     | 16                      | 44                   | 3,614                      | -13.0                   | -86.6    | 4,773,518  |
| Region IX:                             |                       |                         |          |   |         |                         |                      |                            |                         |          |  |
| Arkansas.....                          | 452                   | -18.1                   | -81.0    | 1,892   | 1,768   | 40                      | 84                   | 17,162                     | -17.4                   | -75.6    | 16,836,130   |
| Kansas.....                            | 1,203                 | +4.1                    | -71.2    | 4,983   | 4,607   | 233                     | 143                  | 60,239                     | -5                      | -65.6    | 29,101,587   |
| Missouri.....                          | 2,937                 | -26.4                   | -82.1    | 11,503  | 10,386  | 121                     | 996                  | 148,599                    | -30.2                   | -81.6    | 99,067,907   |
| Oklahoma.....                          | 943                   | -22.3                   | -87.2    | 3,744   | 3,281   | 397                     | 66                   | 51,656                     | -22.8                   | -85.4    | 29,506,072   |
| Region X:                              |                       |                         |          |   |         |                         |                      |                            |                         |          |  |
| Louisiana.....                         | 1,947                 | -18.6                   | -84.0    | 8,044   | 7,214   | 335                     | 495                  | 94,354                     | -15.2                   | -81.5    | 36,549,463   |
| New Mexico.....                        | 68                    | -44.3                   | -95.6    | 252   | 231     | 8                       | 13                   | 2,377                      | -44.3                   | -96.1    | 5,557,965  |
| Texas.....                             | 1,146                 | -21.7                   | -91.1    | 4,584   | 4,246   | 338                     | 0                    | 45,509                     | -25.2                   | -90.4    | 96,335,378   |
| Region XI:                             |                       |                         |          |   |         |                         |                      |                            |                         |          |  |
| Colorado.....                          | 357                   | +127.4                  | -83.5    | 1,593   | 1,147   | 31                      | 415                  | 17,805                     | +108.5                  | -82.5    | 21,768,226   |
| Idaho.....                             | 290                   | -36.1                   | -76.3    | 1,157   | 1,075   | 78                      | 4                    | 15,307                     | -39.4                   | -72.6    | 7,887,176  |
| Montana.....                           | 213                   | -36.6                   | -90.5    | 722   | 722     | ( <sup>1</sup> )        | ( <sup>1</sup> )     | 7,932                      | -53.7                   | -92.2    | 9,962,043  |
| Utah.....                              | 88                    | -42.9                   | -92.7    | 334   | 307     | 13                      | 14                   | 5,145                      | -42.6                   | -92.4    | 12,886,986   |
| Wyoming.....                           | 5                     | -76.2                   | -98.8    | 19  | 17      | 0                       | 2                    | 306                        | -69.6                   | -98.5    | 4,773,762  |
| Region XII:                            |                       |                         |          |   |         |                         |                      |                            |                         |          |  |
| Arizona.....                           | 78                    | -20.4                   | -91.5    | 304   | 295     | 9                       | 0                    | 3,889                      | -28.8                   | -91.4    | 10,115,770   |
| California.....                        | 10,946                | -20.5                   | -84.1    | 44,399  | 37,286  | 2,703                   | 4,410                | 652,487                    | -22.6                   | -84.1    | 361,666,209  |
| Nevada.....                            | 51                    | -38.6                   | -87.2    | 206   | 193     | 8                       | 5                    | 2,959                      | -46.1                   | -85.2    | 5,245,595  |
| Oregon.....                            | 549                   | -30.2                   | -77.0    | 2,055   | 1,612   | 130                     | 313                  | 14,482                     | -49.0                   | -88.1    | 34,518,762   |
| Washington.....                        | 350                   | -29.1                   | -88.7    | 1,552   | 1,152   | 92                      | 308                  | 19,783                     | -18.0                   | -87.1    | 68,422,492   |
| Territories:                           |                       |                         |          |   |         |                         |                      |                            |                         |          |  |
| Alaska.....                            | 33                    | -56.6                   | -89.3    | 116   | 110     | 6                       | 0                    | 1,664                      | -62.5                   | -91.4    | 3,579,569  |
| Hawaii.....                            | 52                    | +36.8                   | -91.7    | 238   | 217     | 16                      | 5                    | 3,794                      | +73.5                   | -81.8    | 12,915,925   |

<sup>1</sup> Benefits for partial and part-total unemployment are not provided by State law in Montana and Pennsylvania. New York data not available.

<sup>2</sup> Not adjusted for voided benefit checks; includes supplemental payments.

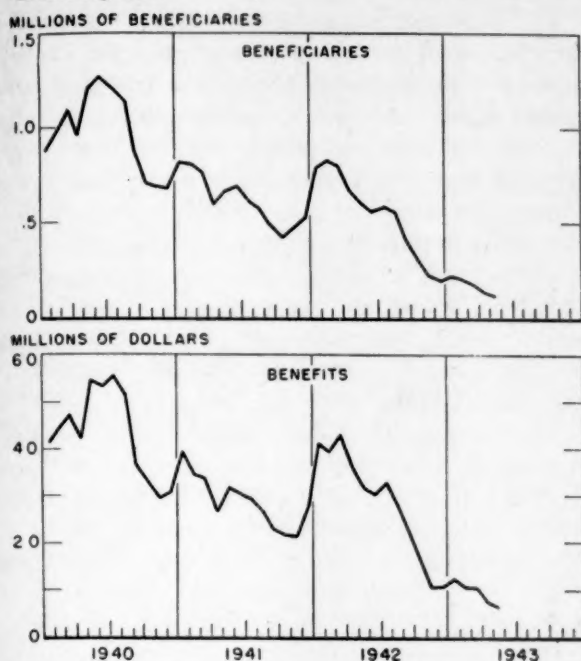
<sup>3</sup> Represents sum of balances at end of month in State clearing account and benefit-payment account, and in State unemployment trust fund account

maintained in the U. S. Treasury. State unemployment trust fund accounts reflect transfers to railroad unemployment insurance account.

<sup>4</sup> Excludes \$12,112 resulting from review of 1938-41 seasonal claims in Oregon.



Chart 2.—Number of beneficiaries and amount of unemployment benefits paid, by month, January 1940–May 1943



## Employment Service Operations\*

### Labor-Market Developments

For the first time since the beginning of the defense program, nonagricultural employment has shown a year-to-year decline. In May, nonagricultural employment of 41.3 million was 100,000 below the figure for the same month a year ago and 300,000 below that for April, according to estimates of the Bureau of the Census. The drop was confined entirely to men and was caused by the fact that military withdrawals exceeded the number of new workers taking jobs. Agricultural employment, however, followed the usual seasonal pattern by increasing 1.2 million in May to a total of 10.8 million, some 600,000 more than in May 1942. The movement of students and housewives into farm work accounted for most of the rise in agricultural employment, although a small part of it was due to transfer of workers from nonagricultural to farm jobs.

A net gain of 900,000 in the total labor force (excluding the armed forces) was recorded for May; such an increase in the total civilian labor force is usual at this time of year. The May

Tennessee—accounted for 45 percent of the total number of beneficiaries in the country, although the number of covered workers in these States represents only about one-fourth of the national total.

Contributions collected in May exceeded benefit payments by \$162 million, bringing the total amount of funds available for benefits at the end of the month to almost \$4.0 billion, or 38 percent more than at the end of May 1942. Total collections for the first 5 months of the year were only 14 percent greater than those during the same period last year, although it is estimated that the amount of taxable wages upon which these collections are based increased 26 percent. This difference is partly attributable to the reduced contribution rates in effect in States where experience rating became effective after January 1942. The outstanding example is Illinois where, as a result of the reduced rates effective January 1, 1943, collections during January–May were 14 percent less than the amount collected during January–May 1942.

labor force of 53.0 million, however, was more than a million below the level a year earlier.

In both April and May, unemployment was at the new low of 900,000. It is probable that most of the people included in this total were either between jobs or were practically unemployable.

*Changed composition of the labor force.*—Most of the growth in the labor force from April to May was due to the entrance of housewives and students into the labor market; the number of employed women increased 700,000 while the number of men at work increased only 200,000.

In comparison with May 1942, there were 2.1 million more women in the labor force in May, but 3.3 million fewer men. The 16.3 million women in the labor market in May constituted 31 percent of the entire labor force, as compared with 26 percent a year earlier.

A large proportion of the increase in employment of women has been in war industries. Women are urgently needed, however, in the less glamorous fields supporting the civilian economy. More than a hundred everyday jobs have been listed by the War Manpower Commission as "war jobs for women" and in September will be

\*Prepared by the Bureau of Program Requirements, War Manpower Commission.

featured in a magazine campaign designed to channel more women into these jobs which are less directly connected with the war.

Another and smaller group with increasing employment opportunities is the physically handicapped. Freedom from draft liability makes this group attractive to employers, who are also discovering that a physical impairment does not necessarily constitute an occupational impediment. Experience with employment of physically handicapped workers has proved so successful in many cases that some employers are actually advertising for them. One Hartford manufacturer has published an open invitation to disabled ex-service-men to apply to them for employment. A Kansas City, Mo., automotive company has asked that handicapped persons be referred to it as mechanic apprentices. A Bridgeport manufacturer advertised for handicapped workers, pointing out that "ability to do the work is our only requirement; physical requirements have been lowered." An ordnance plant in Illinois has told WMC that it will be able to use all physically handicapped workers referred to it.

**Shortage areas.**—Of 278 major labor-market areas classified by WMC on the basis of adequacy of labor supply in May, 42 had currently acute labor shortages—7 more than in the previous month—and only 73 of the 278 foresaw an ample supply of labor to meet all known requirements. The other 163 areas either already suffered a stringency of labor and expected a shortage within 6 months or could foresee general labor shortages after 6 months.

**Dead line for 48-hour week in steel industry.**—When, on May 1, WMC ordered steel mills to adopt a minimum 48-hour workweek (Order No. 8), it was provided that the longer workweek should be established by June 1 in plants where no workers would be released in making the change and by July 1 if it would be necessary to lay off employees. Any plant which could not attain a minimum workweek of 48 hours by July 1 was required to submit by that date a schedule of release for workers to be laid off because of the increased hours. On June 1, WMC issued instructions that the minimum wartime workweek must be adopted and all workers to be released must be released not later than August 1. Temporary exemptions may be granted for reasons beyond the control of

the employer but only for as long as these reasons continue to exist.

The new instructions of June 1 also provide for exemptions of certain personnel and for consultation of the Regional Manpower Director with management and labor before rendering any decision on releases, exemptions, or new hires. Workers and jobs exempted from the maximum-hours provisions of the Federal Fair Labor Standards Act are also exempt from the provisions of Order No. 8. Office and clerical workers of executive, sales, and administrative offices are exempt for as long as employment opportunities are not generally available to such employees upon their release.

**WMC appeals.**—WMC on May 22 issued regulations governing appeals from its actions. A worker may appeal if any WMC orders, regulations, or directions bar him from a job or if WMC determines that he is acting in violation of any of its orders or regulations. An employer may appeal if WMC bars him from employing any worker, requires him to extend the workweek of any of his workers, or charges him with violating any WMC order or regulation.

The new appeals regulations are not applicable to (1) selective service appeals, (2) appeals under WMC regulations controlling requests for occupational deferment of Federal employees, or (3) appeals arising under WMC's directive on inter-agency transfer of Federal employees.

The WMC agent taking any action which a worker or employer questions must apprise such worker or employer of his right to appeal and, upon request, must furnish a written statement explaining the action in question. Appeals start at the area level and may be carried further to the WMC regional office and finally to the WMC Chairman, whose decision is final.

**Strikes.**—Time lost in May because of strikes was 0.16 percent of the total time that would have been worked had there been no strikes. Some 620,000 workers were involved in 395 strikes that caused a loss of 1,275,000 man-days. These figures compare with 2 million workers and 675,000 man-days in April and with 72,000 workers and 230,000 man-days in March.

#### **Placement Activities**

Although the number of May placements was only 11 percent greater than that in April—the

**Table 1.—Nonagricultural placements in the continental United States, by industry division and major occupational group, May 1943**

[Corrected to June 30, 1943]

| Industry division  | Total, all occupations |                                   |         |          | Professional and managerial | Clerical and sales | Service | Skilled | Semi-skilled | Unskilled and other |
|--|------------------------|-----------------------------------|---------|----------|-----------------------------|--------------------|---------|---------|--------------|---------------------|
|  | Number                 | Percentage change from April 1943 | Women   | Nonwhite |                             |                    |         |         |              |                     |
| Total.....   | 707,764                | +2.8                              | 259,281 | 117,786  | 7,940                       | 61,580             | 88,265  | 95,385  | 108,438      | 348,156             |
| Forestry and fishing.....                                      | 407                    | 0                                 | 18      | 11       | 22                          | 7                  | 69      | 18      | 33           | 258                 |
| Mining.....  | 6,111                  | +17.1                             | 145     | 371      | 36                          | 135                | 73      | 1,914   | 694          | 3,259               |
| Construction.....  | 80,362                 | -19.2                             | 2,035   | 16,602   | 371                         | 1,996              | 1,251   | 22,628  | 8,057        | 46,059              |
| Manufacturing.....   | 413,849                | +10.8                             | 159,655 | 43,045   | 4,343                       | 26,839             | 10,467  | 58,031  | 80,987       | 233,182             |
| Transportation, communication, and other public utilities..... | 27,022                 | +5.3                              | 4,909   | 2,905    | 205                         | 3,842              | 1,193   | 2,098   | 3,002        | 16,682              |
| Wholesale and retail trade.....                                | 40,590                 | -1.3                              | 15,975  | 6,580    | 266                         | 9,799              | 11,352  | 1,192   | 3,499        | 14,492              |
| Finance, insurance, and real estate.....                       | 3,599                  | -2.4                              | 1,840   | 598      | 22                          | 1,551              | 1,337   | 112     | 136          | 441                 |
| Service.....   | 78,909                 | -4.6                              | 51,098  | 38,228   | 1,528                       | 8,017              | 50,788  | 2,650   | 4,231        | 8,695               |
| Government.....  | 50,604                 | +2                                | 23,532  | 8,405    | 1,146                       | 12,343             | 5,689   | 6,712   | 7,779        | 22,935              |
| Establishments not elsewhere classified.....                   | 311                    | -19.4                             | 74      | 41       | 1                           | 51                 | 46      | 30      | 30           | 153                 |

smallest percentage increase between these 2 months since comparable data became available in 1940—the total of more than a million was by far the largest on record for the month of May. In fact, in the past 3 years, there have been only 4 other months in which placements have numbered more than a million, and these were all harvest months of late summer or early fall. Neither nonagricultural nor agricultural placements rose as markedly as they had in May of other years, probably because the levels of both types of placements were already extremely high. Most of the increase in nonfarm placements

occurred in manufacturing industries (table 4). Variations among the States were marked, with changes ranging from a decline of nearly 32 percent in Idaho to an increase of 52 percent in South Carolina. Twenty-nine States reported larger nonfarm placements than in April, while 20 reported decreases. For the 5-month period

**Table 2.—Agricultural placements in the continental United States, by type of activity, May and January-May 1943**

[Corrected to June 30, 1943]

| Type of activity   | May 1943 |                         |          | Jan.-May 1943 |                                      |                         |
|--|----------|-------------------------|----------|---------------|--------------------------------------|-------------------------|
|  | Number   | Percentage change from— |          | Number        | Percentage change from Jan.-May 1942 | Percentage distribution |
|  |          | Apr. 1943               | May 1942 |               |                                      |                         |
| Total.....   | 297,725  | +38.3                   | +63.6    | 739,048       | +128.4                               | 100.0                   |
| Agricultural and similar service establishments <sup>1</sup> | 2,109    | -97.9                   | -58.5    | 107,110       | +645.8                               | 14.5                    |
| Farms.....   | 295,616  | +182.8                  | +67.1    | 631,938       | +104.3                               | 85.5                    |
| Grain.....   | 2,678    | -6.5                    | +353.9   | 10,461        | +631.5                               | 1.4                     |
| Cotton.....  | 19,597   | +654.3                  | +6.6     | 55,509        | +88.3                                | 7.5                     |
| Fruit and tree-nut.....                                      | 60,889   | +378.7                  | -12.0    | 98,587        | +25.7                                | 13.3                    |
| Dairy.....   | 3,039    | -16.3                   | +100.3   | 14,245        | +157.1                               | 1.9                     |
| Livestock and poultry.....                                   | 10,132   | +65.4                   | +559.6   | 20,832        | +268.8                               | 2.8                     |
| General.....   | 23,924   | +7.5                    | -47.5    | 76,739        | -20.7                                | 10.4                    |
| All other.....   | 178,357  | +162.7                  | +337.4   | 355,805       | +287.0                               | 48.2                    |

<sup>1</sup> Includes establishments primarily engaged in performing, on a fee or contract basis, such agricultural services as custom milling, hay baling, farm management, and animal-husbandry and horticultural services. Includes also business enterprises engaged in hunting and trapping or in the operation of game preserves.

**Table 3.—Total applications received and active file of applications in public employment offices in the continental United States, by State, May 1943**

[Corrected to June 30, 1943]

| War Manpower Commission region and State | Total applications received, May 1943 | Active file as of May 15, 1943 | War Manpower Commission region and State | Total applications received, May 1943 | Active file as of May 15, 1943 |
|--|---------------------------------------|--------------------------------|--|---------------------------------------|--------------------------------|
| Total.....                               | 1,221,562                             | 1,198,045                      | Reg. VII—Continued                       |                                       |                                |
| Reg. I:                                  |                                       |                                | Miss.....                                | 15,661                                | 12,846                         |
| Conn.....                                | 17,775                                | 9,309                          | S. C.....                                | 13,542                                | 10,904                         |
| Maine.....                               | 10,318                                | 7,625                          | Tenn.....                                | 20,689                                | 27,356                         |
| Mass.....                                | 46,461                                | 29,490                         | Reg. VIII:                               |                                       |                                |
| N. H.....                                | 3,939                                 | 4,428                          | Iowa.....                                | 16,704                                | 9,962                          |
| R. I.....                                | 9,073                                 | 4,316                          | Minn.....                                | 27,408                                | 29,888                         |
| Vt.....                                  | 1,265                                 | 1,152                          | Nebr.....                                | 9,054                                 | 7,338                          |
| Reg. II:                                 |                                       |                                | N. Dak.....                              | 2,590                                 | 1,798                          |
| N. Y.....                                | 116,268                               | 146,140                        | S. Dak.....                              | 3,916                                 | 2,212                          |
| Reg. III:                                |                                       |                                | Reg. IX:                                 |                                       |                                |
| Del.....                                 | 2,365                                 | 4,389                          | Ark.....                                 | 12,624                                | 12,750                         |
| N. J.....                                | 40,884                                | 48,641                         | Kans.....                                | 13,416                                | 13,298                         |
| Pa.....                                  | 89,599                                | 115,000                        | Mo.....                                  | 62,832                                | 88,910                         |
| Reg. IV:                                 |                                       |                                | Okla.....                                | 12,230                                | 15,872                         |
| D. C.....                                | 5,666                                 | 8,058                          | Reg. X:                                  |                                       |                                |
| Md.....                                  | 23,628                                | 8,123                          | La.....                                  | 14,108                                | 17,571                         |
| N. C.....                                | 19,381                                | 20,297                         | N. Mex.....                              | 1,840                                 | 912                            |
| Va.....                                  | 19,357                                | 19,649                         | Tex.....                                 | 50,090                                | 55,920                         |
| W. Va.....                               | 12,222                                | 19,698                         | Reg. XI:                                 |                                       |                                |
| Reg. V:                                  |                                       |                                | Colo.....                                | 10,127                                | 7,424                          |
| Ky.....                                  | 23,292                                | 29,108                         | Idaho.....                               | 2,979                                 | 2,054                          |
| Mich.....                                | 30,526                                | 31,552                         | Mont.....                                | 2,457                                 | 1,118                          |
| Ohio.....                                | 94,911                                | 67,226                         | Utah.....                                | 8,969                                 | 1,656                          |
| Reg. VI:                                 |                                       |                                | Wyo.....                                 | 1,273                                 | 1,007                          |
| Ill.....                                 | 71,210                                | 85,963                         | Reg. XII:                                |                                       |                                |
| Ind.....                                 | 50,363                                | 42,748                         | Ariz.....                                | 5,884                                 | 6,460                          |
| Wis.....                                 | 22,286                                | 21,505                         | Calif.....                               | 91,093                                | 75,518                         |
| Reg. VII:                                |                                       |                                | Nev.....                                 | 1,031                                 | 600                            |
| Ala.....                                 | 29,428                                | 17,100                         | Oreg.....                                | 20,427                                | 3,047                          |
| Fla.....                                 | 29,776                                | 20,914                         | Wash.....                                | 8,353                                 | 7,438                          |
| Ga.....                                  | 21,652                                | 21,135                         |  |                                       |                                |



January-May, however, the increases were more general, and only 9 States reported fewer placements this year. The number of nonagricultural jobs filled by women workers rose to 259,000 and

comprised 36.6 percent of the total in May, as compared with 30.5 percent 9 months ago; both the absolute and relative number of jobs in which nonwhite workers were placed fell slightly in May.

Table 4.—Nonagricultural and agricultural placements in the continental United States, by State, May and January-May 1943

[Corrected to June 30, 1943]

| Region <sup>1</sup> and State | Total     |                         |                  |               |                                      |  | Nonagricultural |                         |          |               |                                      |  | Agricultural |                         |                  |               |                                      |                           |
|-------------------------------|-----------|-------------------------|------------------|---------------|--------------------------------------|--|-----------------|-------------------------|----------|---------------|--------------------------------------|--|--------------|-------------------------|------------------|---------------|--------------------------------------|---------------------------|
|                               | May 1943  |                         |                  | Jan.-May 1943 |                                      |  | May 1943        |                         |          | Jan.-May 1943 |                                      |  | May 1943     |                         |                  | Jan.-May 1943 |                                      |                           |
|                               | Number    | Percentage change from— |                  | Number        | Percentage change from Jan.-May 1942 |  | Number          | Percentage change from— |          | Number        | Percentage change from Jan.-May 1942 |  | Number       | Percentage change from— |                  | Number        | Percentage change from Jan.-May 1942 | Percent of all placements |
|                               |           | Apr. 1943               | May 1942         |               |                                      |  |                 | Apr. 1943               | May 1942 |               |                                      |  |              | Apr. 1943               | May 1942         |               |                                      |                           |
| Total.....                    | 1,005,489 | +11.2                   | +28.6            | 4,161,117     | +50.9                                |  | 707,764         | +2.8                    | +17.9    | 3,422,069     | +40.6                                |  | 297,725      | +38.3                   | +63.6            | 739,048       | +128.4                               | 18.2                      |
| Region I:                     |           |                         |                  |               |                                      |  |                 |                         |          |               |                                      |  |              |                         |                  |               |                                      |                           |
| Conn.....                     | 9,400     | +14.8                   | -2.2             | 46,936        | +1.3                                 |  | 9,249           | +16.0                   | -1.1     | 46,200        | +1.4                                 |  | 151          | -30.4                   | -41.7            | 736           | -5.0                                 | 1.6                       |
| Maine.....                    | 5,099     | -19.4                   | -2.9             | 26,667        | +25.4                                |  | 4,945           | -20.8                   | -2.5     | 26,178        | +25.3                                |  | 154          | +79.1                   | -13.5            | 489           | +29.0                                | 1.8                       |
| Mass.....                     | 20,606    | +15.2                   | +93.8            | 100,158       | +96.6                                |  | 20,215          | +14.2                   | +92.0    | 99,328        | +96.4                                |  | 391          | +120.9                  | +276.0           | 830           | +132.5                               | 2.8                       |
| N. H.....                     | 2,166     | +10.4                   | +9               | 9,414         | -2.2                                 |  | 2,137           | +11.7                   | +4.4     | 9,199         | -1.6                                 |  | 29           | ( <sup>2</sup> )        | ( <sup>2</sup> ) | 215           | -21.5                                | 0.3                       |
| R. I.....                     | 2,988     | -12.1                   | +5.7             | 23,942        | +78.1                                |  | 2,978           | -11.9                   | +6.3     | 23,875        | +78.8                                |  | 8            | ( <sup>2</sup> )        | ( <sup>2</sup> ) | 67            | -28.7                                | 0.3                       |
| Vt.....                       | 656       | +9.9                    | -10.4            | 3,270         | -18.9                                |  | 625             | +16.2                   | -6.6     | 2,943         | -22.9                                |  | 31           | ( <sup>2</sup> )        | ( <sup>2</sup> ) | 327           | +62.8                                | 10.0                      |
| Region II:                    |           |                         |                  |               |                                      |  |                 |                         |          |               |                                      |  |              |                         |                  |               |                                      |                           |
| N. Y.....                     | 65,585    | -6.3                    | -3.7             | 354,649       | +23.9                                |  | 63,708          | -7.5                    | -5.6     | 350,081       | +23.1                                |  | 1,877        | +59.3                   | +185.7           | 4,568         | +132.3                               | 1.3                       |
| Region III:                   |           |                         |                  |               |                                      |  |                 |                         |          |               |                                      |  |              |                         |                  |               |                                      |                           |
| Del.....                      | 2,035     | +43.7                   | +30.6            | 8,440         | +26.1                                |  | 1,949           | +40.4                   | +25.9    | 8,311         | +24.9                                |  | 86           | ( <sup>2</sup> )        | ( <sup>2</sup> ) | 129           | ( <sup>2</sup> )                     | 1.5                       |
| N. J.....                     | 32,371    | +29.4                   | +83.6            | 121,305       | +48.2                                |  | 26,226          | +11.5                   | +58.4    | 112,592       | +40.1                                |  | 6,145        | +312.4                  | +472.7           | 8,713         | +487.5                               | 7.2                       |
| Pa.....                       | 34,109    | +6.8                    | +17.6            | 165,315       | +36.6                                |  | 32,179          | +4.3                    | +12.6    | 160,918       | +34.2                                |  | 1,930        | +79.4                   | +343.7           | 4,397         | +275.2                               | 2.7                       |
| Region IV:                    |           |                         |                  |               |                                      |  |                 |                         |          |               |                                      |  |              |                         |                  |               |                                      |                           |
| D. C.....                     | 2,859     | -13.3                   | -55.1            | 17,119        | -43.2                                |  | 2,847           | -13.4                   | -55.2    | 17,097        | -43.1                                |  | 12           | ( <sup>2</sup> )        | ( <sup>2</sup> ) | 22            | ( <sup>2</sup> )                     | 1.1                       |
| Md.....                       | 12,049    | -3.7                    | +30.9            | 63,531        | +71.8                                |  | 11,526          | -6.5                    | +37.1    | 62,360        | +73.5                                |  | 523          | +182.7                  | -34.5            | 1,171         | +12.4                                | 1.8                       |
| N. C.....                     | 14,881    | +24.1                   | -43.0            | 76,110        | -7.3                                 |  | 12,600          | +10.0                   | -39.2    | 71,324        | -4.6                                 |  | 2,191        | +378.4                  | -58.0            | 4,796         | -34.8                                | 6.3                       |
| Va.....                       | 8,268     | +14.0                   | -5.9             | 36,919        | -11.8                                |  | 7,355           | +6.3                    | +25.1    | 34,713        | -16.5                                |  | 913          | +176.7                  | +648.4           | 2,206         | +671.3                               | 6.0                       |
| W. Va.....                    | 5,626     | +3.1                    | +29.3            | 28,056        | +63.6                                |  | 5,587           | +5.0                    | -15.6    | 27,617        | +61.8                                |  | 39           | ( <sup>2</sup> )        | ( <sup>2</sup> ) | 439           | +398.9                               | 1.6                       |
| Region V:                     |           |                         |                  |               |                                      |  |                 |                         |          |               |                                      |  |              |                         |                  |               |                                      |                           |
| Ky.....                       | 20,319    | +66.9                   | -7.7             | 60,479        | +57.6                                |  | 12,596          | +5.0                    | +31.6    | 51,556        | +100.3                               |  | 7,753        | ( <sup>2</sup> )        | -37.7            | 8,923         | -29.3                                | 14.8                      |
| Mich.....                     | 28,103    | +10.3                   | +45.3            | 125,433       | +66.9                                |  | 27,314          | +10.6                   | +46.2    | 123,277       | +67.6                                |  | 789          | +1.5                    | +20.8            | 2,156         | +34.0                                | 1.9                       |
| Ohio.....                     | 52,900    | +9.5                    | +34.2            | 249,028       | +63.9                                |  | 51,498          | +9.8                    | +36.0    | 244,365       | +66.6                                |  | 1,402        | -1.1                    | -9.0             | 4,663         | +35.5                                | 1.7                       |
| Region VI:                    |           |                         |                  |               |                                      |  |                 |                         |          |               |                                      |  |              |                         |                  |               |                                      |                           |
| Ill.....                      | 29,376    | +21.5                   | +1.7             | 122,210       | +7.7                                 |  | 23,200          | +6.7                    | -4.1     | 110,854       | +3.6                                 |  | 6,116        | +157.7                  | +31.9            | 11,356        | +75.1                                | 9.3                       |
| Ind.....                      | 20,970    | +1.9                    | +14.1            | 96,017        | +41.3                                |  | 20,172          | +4.8                    | +14.5    | 92,891        | +39.2                                |  | 798          | -40.0                   | +4.0             | 3,126         | +150.7                               | 3.3                       |
| Wis.....                      | 13,240    | -7.7                    | -5.2             | 68,753        | +32.9                                |  | 11,440          | -13.4                   | -13.7    | 64,210        | +29.6                                |  | 1,800        | +58.6                   | +152.5           | 4,543         | +108.1                               | 6.6                       |
| Region VII:                   |           |                         |                  |               |                                      |  |                 |                         |          |               |                                      |  |              |                         |                  |               |                                      |                           |
| Ala.....                      | 19,042    | +6.7                    | +155.6           | 73,625        | +84.0                                |  | 16,325          | +13.6                   | +208.3   | 66,358        | +83.8                                |  | 2,717        | -21.6                   | +26.2            | 7,267         | +85.5                                | 9.9                       |
| Fla.....                      | 136,528   | +12.5                   | ( <sup>2</sup> ) | 345,197       | +795.6                               |  | 18,943          | +11.2                   | +85.5    | 69,633        | +102.6                               |  | 117,585      | +12.7                   | ( <sup>2</sup> ) | 278,564       | ( <sup>2</sup> )                     | 80.0                      |
| Ga.....                       | 21,772    | +36.6                   | +158.3           | 65,450        | +77.6                                |  | 21,581          | +39.0                   | +163.5   | 64,587        | +78.4                                |  | 191          | -54.2                   | -20.1            | 863           | +32.8                                | 1.3                       |
| Miss.....                     | 8,830     | -1.0                    | +20.1            | 44,403        | +82.4                                |  | 8,646           | -8.6                    | +40.2    | 42,873        | +89.2                                |  | 184          | -46.8                   | -84.5            | 1,530         | -8.8                                 | 3.4                       |
| S. C.....                     | 5,969     | +46.9                   | -5.5             | 22,519        | -23.5                                |  | 5,918           | +51.7                   | -2.6     | 21,761        | -24.8                                |  | 48           | ( <sup>2</sup> )        | ( <sup>2</sup> ) | 758           | +47.2                                | 3.4                       |
| Tenn.....                     | 17,350    | +68.8                   | -4.2             | 61,433        | +36.0                                |  | 11,728          | +18.6                   | +69.4    | 45,272        | +35.0                                |  | 5,622        | ( <sup>2</sup> )        | -49.8            | 16,161        | +38.9                                | 26.3                      |
| Region VIII:                  |           |                         |                  |               |                                      |  |                 |                         |          |               |                                      |  |              |                         |                  |               |                                      |                           |
| Iowa.....                     | 9,902     | +15.9                   | +12.6            | 39,386        | +17.5                                |  | 8,789           | +26.3                   | +9.7     | 34,982        | +17.2                                |  | 1,113        | -29.8                   | +42.5            | 4,404         | +20.1                                | 11.2                      |
| Minn.....                     | 13,615    | -15.2                   | +44.0            | 62,653        | +82.3                                |  | 12,544          | -13.6                   | +48.5    | 57,816        | +91.6                                |  | 1,071        | -30.8                   | +5.9             | 4,837         | +15.5                                | 7.7                       |
| Nebr.....                     | 6,059     | -33.0                   | -18.2            | 36,102        | +85.3                                |  | 5,541           | -33.8                   | -23.2    | 33,634        | +81.1                                |  | 518          | -22.0                   | +165.6           | 2,468         | +170.9                               | 6.8                       |
| N. Dak.....                   | 2,021     | -23.1                   | -9.7             | 9,972         | +11.5                                |  | 1,422           | -22.0                   | -21.2    | 7,715         | +10.6                                |  | 399          | -25.5                   | +37.7            | 2,257         | +14.9                                | 22.6                      |
| S. Dak.....                   | 1,717     | +12.4                   | -28.2            | 7,908         | +3.3                                 |  | 1,506           | +16.2                   | -27.6    | 6,736         | +8                                   |  | 211          | -9.1                    | -32.2            | 1,232         | +19.0                                | 15.5                      |
| Region IX:                    |           |                         |                  |               |                                      |  |                 |                         |          |               |                                      |  |              |                         |                  |               |                                      |                           |
| Ark.....                      | 48,839    | +141.7                  | -40.7            | 116,878       | -16.4                                |  | 9,457           | +3.3                    | -24.0    | 48,849        | -5.8                                 |  | 39,382       | +256.4                  | -43.6            | 68,029        | -22.7                                | 58.2                      |
| Kans.....                     | 11,332    | -30.4                   | +28.3            | 71,056        | +76.6                                |  | 10,934          | -30.5                   | +29.9    | 69,081        | +78.6                                |  | 398          | -28.9                   | -4.8             | 1,975         | +26.8                                | 2.8                       |
| Mo.....                       | 29,692    | +24.2                   | +22.1            | 131,966       | +63.0                                |  | 23,096          | +15.1                   | +22.6    | 116,281       | +62.3                                |  | 6,596        | +71.8                   | +20.4            | 15,685        | +68.4                                | 11.9                      |
| Okla.....                     | 15,561    | -27.4                   | +26.0            | 60,923        | +77.8                                |  | 6,478           | -21.6                   | -3       | 36,776        | +39.6                                |  | 9,083        | -31.1                   | +55.2            | 24,147        | +205.1                               | 39.6                      |
| Region X:                     |           |                         |                  |               |                                      |  |                 |                         |          |               |                                      |  |              |                         |                  |               |                                      |                           |
| La.....                       | 5,165     | -19.3                   | -14.4            | 28,639        | -5.3                                 |  | 5,036           | -8.7                    | -14.1    | 27,353        | -5.5                                 |  | 129          | -85.4                   | -24.1            | 1,286         | -1.4                                 | 4.5                       |
| N. Mex.....                   | 1,707     | -6.1                    | -69.0            | 11,034        | -17.7                                |  | 1,534           | -8.3                    | -59.1    | 10,371        | -2.4                                 |  | 173          | +18.5                   | -2               | 663           | -76.2                                | 6.0                       |
| Tex.....                      | 68,843    | -1.3                    | -3.9             | 316,404       | +19.8                                |  | 35,522          | -16.8                   | -28.8    | 214,328       | +11.0                                |  | 33,321       | +23.1                   | +53.3            | 102,076       | +43.7                                | 32.3                      |
| Region XI:                    |           |                         |                  |               |                                      |  |                 |                         |          |               |                                      |  |              |                         |                  |               |                                      |                           |
| Colo.....                     | 6,472     | +3.1                    | -17.4            | 29,226        | +21.0                                |  | 4,118           | -16.7                   | -33.4    | 23,572        | +15.7                                |  | 2,354        | +76.5                   | +42.3            | 5,654         | +50.0                                | 19.3                      |
| Idaho.....                    | 7,720     | +36.6                   | +7.6             | 23,137        | +40.1                                |  | 2,998           | -31.5                   | +1.8     | 15,972        | +63.4                                |  | 4,722        | +270.1                  | +11.7            | 7,165         | +6.3                                 | 31.0                      |
| Mont.....                     | 6,291     | +98.3                   | +56.3            | 15,680        | +43.1                                |  | 2,217           | +19.4                   | -2.2     | 8,869         | +26.8                                |  | 4,074        | +209.6                  | +131.5           | 6,811         | +71.7                                | 43.4                      |
| Utah.....                     | 11,552    | +18.6                   | +191.9           | 53,605        | +292.8                               |  | 8,221           | -11.7                   | +133.1   | 49,254        | +278.3                               |  | 3,331        | +683.8                  | +672.9           | 4,351         | +591.7                               | 8.1                       |
| Wyo.....                      | 1,797     | -3.0                    | -1.9             | 8,472         | +61.2                                |  | 1,345           | -9.1                    | -11.3    | 7,327         | +70.1                                |  | 432          | +21.2                   | +43.5            | 1,145         | +20.7                                | 13.5                      |
| Region XII:                   |           |                         |                  |               |                                      |  |                 |                         |          |               |                                      |  |              |                         |                  |               |                                      |                           |
| Ariz.....                     | 7,194     | +9.1                    | +15.0            | 33,971        | +26.4                                |  | 3,936           | -9.1                    | +15.7    | 20,685        | +38.7                                |  | 3,238        | +43.7                   | +14.2            | 13,286        | +11.1                                | 39.1                      |
| Calif.....                    | 96,672    | +7.5                    | +41.1            | 461,414       | +70.7                                |  | 77,192          | +11.6                   | +31.8    | 375,534       | +51.9                                |  | 19,480       | -6.1                    | +95.3            | 85,880        | +271.5                               | 23.4                      |
| Nev.....                      | 4,060     | +2.1                    | +29.7            | 18,742        | +64.1                                |  | 3,888           | +2.1                    | +32.3    | 18,058        | +71.8                                |  | 172          | -10.9                   | -10.9            | 684           | -24.9                                | 8.5                       |
| Oreg.....                     | 25,179    | +11.9                   | +59.1            | 99,704        | +112.5                               |  | 22,123          | +5.6                    | +72.8    | 92,756        | +124.2                               |  | 3,056        | +97.2                   | +1.2             | 7,008         | +25.8                                | 7.0                       |
| Wash.....                     | 31,007    | +23.3                   | +65.4            | 104,747       | +64.3                                |  | 26,260          | +15.3                   | +71.3    | 95,747        | +66.5                                |  | 4,747        | +90.0                   | +39.0            | 9,000         | +43.7                                | 8.6                       |

<sup>1</sup> War Manpower Commission regions.

<sup>2</sup> Not computed, because fewer than 50 agricultural placements were made in 1 or both periods.

<sup>3</sup> Increase of more than 1,000 percent.

<sup>4</sup> Excludes 5,145 agricultural placements made in cooperation with USES in Tennessee and credited to Tennessee.

Farm placements of 298,000 in May were 38 percent greater than the number in April, 64 percent greater than those in May last year, and more than double the May figures for either 1940 or 1941. The seasonal increase was much less pronounced than in recent years, but the level of placements in the country as a whole was noticeably high. There were, however, wide differences among the States in the changes from April to May, which ranged from a decline of 85 percent in Louisiana to increases of more than 1,000 percent in Kentucky and Tennessee.

The Department of Agriculture reported that farm work had been held up during May by unseasonable weather in many sections of the country, and that farm people were exceptionally busy on June 1 trying to offset the smaller than usual supply of workers and the lateness in

starting the spring work. Farm operators were working an average of 12.8 hours a day on June 1, or about three-quarters of an hour longer than the average 3 years ago. It is estimated that about 13 percent of the persons working on farms on June 1 were under 14 years of age and that 23 percent were hired workers. As of June 1, about 39,000 workers had been brought into the United States from other countries to work on farms. This total included 9,000 Jamaicans, 3,000 Bahamians, and 27,000 Mexicans.

The active file of applications was one-fourth smaller on May 15 than it had been 2 months earlier. Applications received in May were also fewer than in March, but the decline was only 4.6 percent. USES offices made 24,000 referrals to pre-employment and refresher courses, and 12,000 placements on NYA work defense projects in May.

## Railroad Unemployment Insurance \*

Increased maintenance-of-way activities and opening of the Great Lakes shipping season ordinarily result in relatively large reductions in railroad unemployment in May. This year followed the usual pattern, even though remarkably low levels had already been reached in April. As measured by the number of claims and certifications, railroad unemployment in May was only a little more than half the volume of the preceding month (table 1).

The rise in employment on class I railroads from mid-April to mid-May was about 4,200, much smaller than the average increase in the same month of recent years. The gains were concentrated to a large extent, however, in the northern regions, where a major portion of current railroad unemployment exists. In the Great Lakes and Northwestern Interstate Commerce Commission regions, additional workers in maintenance of way and structures numbered 2,900 and 2,000, respectively, while 1,900 workers were added in the transportation groups in the Northwestern region. Reflecting these increases, the largest reductions in unemployment insurance payments occurred in the Minneapolis and Chicago regions.

**Claims.**—The number of claims for unemploy-

ment insurance benefits dropped from 5,000 in April to 2,800 in May. The claims rate for the country was, roughly, 1 claim for every 560 railroad workers employed in mid-May, compared with rates of 1 to 80 in May 1942 and 1 to 25 in May 1941.

The extent to which claims could decrease in May was restricted in all regions by the low levels of the preceding month. Only the Minneapolis region had reported more than 1,000 claims in April and it had a 70-percent drop to 400 claims in May. In the other regions, except for San Francisco, the decrease ranged from 26 percent in Dallas to 53 percent in the Chicago region. The number of claims received in the different regions varied from 140 in the San Francisco to 510 in the New York region.

**Certificates of benefit rights.**—In May, applications for certificate of benefit rights were received from 380 workers who experienced their first unemployment in the benefit year; in April, about 430 applications had been filed. The numbers in the various regions have become so small that little significance can be attached to monthly changes. Only the New York, Chicago, and Atlanta regions received more than 40 applications. Of these, Atlanta had the largest number—80. In this benefit year through May, 21,200 applications had been received, compared with 89,000 in the corresponding period of the preceding year.

\* Prepared by the Office of Director of Research, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

**Certifications.**—Benefits totaling \$51,500 were paid as the result of 2,200 certifications. Unemployed railroad workers in 11 months of this benefit year received payment for 77,800 periods of unemployment compared with 438,000 in the same period last year. Through May 31 of this year, \$1.7 million had been paid in benefits, one-fifth of the amount paid in July 1941–May 1942.

The number of benefit payments declined steadily during the month. From the first to the fourth weeks of May there was a reduction of 40 percent. The greatest decline—75 percent—occurred in the Minneapolis region primarily as a result of the resumption of iron-ore shipments through Lake Superior.

The number of payments for initial periods of unemployment fell from 400 in April to 285 in May. The average payment was slightly higher in May—\$20.53 compared with \$20.26. Almost two-thirds of the beneficiaries were entitled to the maximum daily benefit rate of \$4, with the result that the average daily rate rose 18 cents to \$3.50. Much of the effect of this increase, however, was offset by a decrease in the average number of compensable days from 6.10 to 5.86.

The decline in number of payments for subsequent periods of unemployment in May was sharper than that in initial payments. Although an increase occurred in the average daily benefit rate from \$3.08 in April to \$3.17 in May, the average payment decreased 79 cents to \$24.36. A smaller proportion of the workers receiving

benefits were unemployed for the full 14-day registration period, with the result that the average number of compensable days decreased 7 percent. This decline appears to have been caused by reemployment before the end of the registration period.

**Benefit accounts.**—Accounts were opened during the month for 290 railroad workers. Final payments were made to 104 who had exhausted their benefit rights for the year by receiving payment for 100 compensable days of unemployment. The total number of accounts opened this year through May, 15,200, was about one-fifth of the number opened in the corresponding period of the 1941–42 benefit year. So far this year, only 9 percent of the beneficiaries have exhausted their accounts, compared with 13 percent by the end of May last year.

**Employment service.**—Employment service operations in May were marked by a widespread campaign to draw high school and college youths to the railroad industry and by bringing some 2,700 Mexican laborers into the United States. Verified placements for May rose to 18,500, an increase of 600 over the number reported for April and almost twice that for May 1942. Inter-regional transfers were involved in 2,680 placements.

Because of the heavy maintenance programs under way and rapid track-labor turn-over on most roads, placements of track workers far outnumbered any other occupational group. Sub-

**Table 1.—Railroad unemployment insurance: Placements, applications for certificate of benefit rights received, claims received, and benefit payments certified, by specified period, 1941–43**

| Period           | 1942-43     |                            |        |                               |             | 1941-42     |                            |         |                               |             |
|------------------|-------------|----------------------------|--------|-------------------------------|-------------|-------------|----------------------------|---------|-------------------------------|-------------|
|                  | Place-ments | Appli-cations <sup>1</sup> | Claims | Benefit payments <sup>2</sup> |             | Place-ments | Appli-cations <sup>1</sup> | Claims  | Benefit payments <sup>2</sup> |             |
|                  |             |                            |        | Number                        | Amount      |             |                            |         | Number                        | Amount      |
| July-May         | 159,915     | 21,218                     | 98,722 | 77,841                        | \$1,717,381 | 45,756      | 89,022                     | 505,126 | 437,975                       | \$8,609,006 |
| May              | 18,493      | 380                        | 2,795  | 2,201                         | 51,548      | 9,821       | 1,204                      | 18,469  | 15,705                        | 316,590     |
| May 1-15         | 8,794       | 215                        | 1,541  | 1,245                         | 28,119      | 5,530       | 598                        | 11,073  | 9,606                         | 190,409     |
| May 16-31        | 9,699       | 165                        | 1,254  | 956                           | 23,429      | 4,291       | 606                        | 7,396   | 6,099                         | 126,121     |
| Weekly averages: |             |                            |        |                               |             |             |                            |         |                               |             |
| July             | 3,508       | 1,452                      | 2,499  | 1,630                         | 33,551      | 526         | 4,031                      | 6,478   | 4,632                         | 81,260      |
| August           | 3,024       | 752                        | 2,904  | 2,403                         | 50,914      | 655         | 1,339                      | 7,763   | 6,122                         | 128,781     |
| September        | 2,706       | 446                        | 2,766  | 2,216                         | 48,865      | 634         | 1,032                      | 7,494   | 6,661                         | 146,230     |
| October          | 2,111       | 290                        | 2,450  | 1,940                         | 42,164      | 729         | 1,218                      | 7,345   | 6,387                         | 138,744     |
| November         | 2,024       | 326                        | 2,168  | 1,747                         | 38,369      | 880         | 2,991                      | 9,794   | 7,833                         | 164,150     |
| December         | 3,550       | 694                        | 2,250  | 1,686                         | 34,747      | 1,534       | 5,018                      | 13,989  | 11,652                        | 212,314     |
| January          | 3,769       | 450                        | 2,619  | 2,136                         | 48,009      | 625         | 3,001                      | 19,454  | 17,205                        | 326,983     |
| February         | 3,951       | 193                        | 2,078  | 1,734                         | 39,478      | 432         | 1,146                      | 17,681  | 16,391                        | 332,044     |
| March            | 4,262       | 133                        | 1,596  | 1,301                         | 31,045      | 783         | 609                        | 15,254  | 14,313                        | 286,590     |
| April            | 4,126       | 98                         | 1,156  | 962                           | 23,979      | 1,625       | 355                        | 9,749   | 8,580                         | 158,427     |
| May              | 4,268       | 88                         | 645    | 508                           | 11,896      | 2,348       | 288                        | 4,416   | 3,756                         | 75,706      |

<sup>1</sup> For current benefit year only.

<sup>2</sup> Net figures adjusted for underpayments and recovery of overpayments.



stantial numbers of freight handlers, train and engine service employees, shopmen, and clerical employees were also placed. A noteworthy development in recent months is the fact that the placements of helpers and apprentices in the skilled trades have increased until they now substantially outnumber placements of skilled workers.

Employment of students and minors assumed an increasingly important role during May. Many railroads are using 16 and 17-year-old youths for week-end and Saturday work prior to the end of the school year and expect to hire them full time during the vacation period. Among the occupations in which students have been employed are car cleaners; shop, engine-house, and track laborers; mechanic apprentices; and baggage handlers.

Aggressive campaigns have been conducted to recruit boys for extra-gang work. They usually work together in their own gangs, with segregated living quarters and recreational facilities. Some carriers have given jobs to athletic instructors or teachers who can work with these boys and see to their welfare. In addition, success in placing

NYA and vocational school trainees as shop laborers and helpers has been reported.

The entry of track workers from Mexico, under the agreement between the Mexican Government and the War Manpower Commission, acting for the United States, began in May. The first train, carrying 510 of the workers, crossed the border on May 16. More than 2,700 of the quota of 6,000 had been brought in and allocated to their respective railroad divisions by the end of the month. All recruiting activities in Mexico City and arrangements for the transportation of the workers are being handled by Board representatives.

Employer needs, as estimated in the monthly reports submitted by 173 employers, totaled 73,413 for June. If all the 191 employers listed in the May report had submitted reports for June, the total would probably have approximated 80,000.

For the first time since the compilation of the report, the number of furloughs or anticipated lay-offs increased, with 256 expected during June, as compared with 172 estimated for May. The large majority of the expected lay-offs concerned brakemen, firemen, and switchmen.

Table 2.—Railroad unemployment insurance: Number of benefit certifications, average benefit, and average number of compensable days for certifications of benefit year 1942-43, by month<sup>1</sup>

| Type of certification and period                    | All certifications |                 |                       |   | Certifications with 14 days of unemployment |                 |                       | Certifications with 8-13 days of unemployment |                 |                       |   | Certifications with 5-7 days of unemployment |                 |                       |   |
|---|--------------------|-----------------|-----------------------|---|---|-----------------|-----------------------|---|-----------------|-----------------------|---|--|-----------------|-----------------------|---|
|   | Number             | Average payment | Average daily benefit | Average number of compensable days <sup>1</sup> | Percent of all certifications               | Average payment | Average daily benefit | Percent of all certifications                 | Average payment | Average daily benefit | Average number of compensable days <sup>1</sup> | Percent of all certifications                | Average payment | Average daily benefit | Average number of compensable days <sup>1</sup> |
| Certifications for first registration period:       |                    |                 |                       |   |   |                 |                       |   |                 |                       |   |  |                 |                       |   |
| July 1942   | 2,457              | \$16.59         | \$2.82                | 5.88  | 66.7  | \$19.95         | \$2.85                | 33.3  | \$9.87          | \$2.82                | 3.65  |  |                 |                       |   |
| August  | 3,262              | 16.23           | 2.80                  | 5.80  | 64.6  | 19.56           | 2.79                  | 35.4  | 10.16           | 2.82                  | 3.60  |  |                 |                       |   |
| September   | 1,557              | 15.25           | 2.70                  | 5.66  | 62.0  | 18.63           | 2.66                  | 38.0  | 9.75            | 2.81                  | 3.47  |  |                 |                       |   |
| October   | 1,146              | 17.09           | 2.92                  | 5.84  | 64.9  | 20.73           | 2.96                  | 35.1  | 10.35           | 2.80                  | 3.69  |  |                 |                       |   |
| November  | 819                | 16.71           | 2.88                  | 5.80  | 66.2  | 20.21           | 2.89                  | 33.8  | 9.85            | 2.85                  | 3.46  |  |                 |                       |   |
| December  | 1,584              | 17.30           | 2.82                  | 6.14  | 75.1  | 19.61           | 2.80                  | 24.9  | 10.32           | 2.89                  | 3.57  |  |                 |                       |   |
| January 1943  | 2,016              | 17.42           | 2.87                  | 6.07  | 72.4  | 20.07           | 2.87                  | 27.6  | 10.45           | 2.88                  | 3.63  |  |                 |                       |   |
| February  | 899                | 17.46           | 2.90                  | 6.02  | 70.0  | 20.47           | 2.93                  | 30.0  | 10.47           | 2.80                  | 3.74  |  |                 |                       |   |
| March   | 511                | 19.45           | 3.19                  | 6.10  | 71.2  | 22.64           | 3.23                  | 28.8  | 11.55           | 2.99                  | 3.86  |  |                 |                       |   |
| April   | 402                | 20.26           | 3.32                  | 6.10  | 71.9  | 23.24           | 3.32                  | 28.1  | 12.84           | 3.31                  | 3.88  |  |                 |                       |   |
| May   | 285                | 20.53           | 3.50                  | 5.86  | 65.6  | 24.64           | 3.52                  | 34.4  | 12.70           | 3.44                  | 3.69  |  |                 |                       |   |
| Certifications for subsequent registration periods: |                    |                 |                       |   |   |                 |                       |   |                 |                       |   |  |                 |                       |   |
| July 1942   | 351                | 25.16           | 2.77                  | 9.08  | 77.2  | 27.77           | 2.78                  | 19.7  | 17.98           | 2.74                  | 6.57  | 3.1  | \$6.00          | \$2.75                | 2.18  |
| August  | 6,716              | 24.02           | 2.80                  | 8.57  | 69.0  | 28.00           | 2.80                  | 23.0  | 18.50           | 2.80                  | 6.61  | 8.0  | 5.66            | 2.76                  | 2.05  |
| September   | 7,680              | 23.36           | 2.76                  | 8.45  | 65.7  | 27.82           | 2.78                  | 26.1  | 17.76           | 2.69                  | 6.59  | 8.2  | 5.44            | 2.73                  | 1.99  |
| October   | 7,452              | 22.57           | 2.77                  | 8.15  | 59.4  | 28.09           | 2.81                  | 29.9  | 17.53           | 2.64                  | 6.63  | 10.7   | 5.99            | 2.87                  | 2.09  |
| November  | 6,161              | 23.06           | 2.78                  | 8.30  | 61.6  | 28.27           | 2.83                  | 28.5  | 17.88           | 2.64                  | 6.77  | 9.9  | 5.56            | 2.73                  | 2.03  |
| December  | 5,798              | 21.81           | 2.76                  | 7.91  | 57.4  | 27.86           | 2.79                  | 28.7  | 17.17           | 2.66                  | 6.44  | 13.9   | 6.27            | 2.74                  | 2.29  |
| January 1943  | 6,964              | 23.80           | 2.83                  | 8.40  | 67.0  | 28.74           | 2.87                  | 22.7  | 17.38           | 2.68                  | 6.49  | 10.3   | 5.86            | 2.68                  | 2.19  |
| February  | 6,066              | 23.71           | 2.78                  | 8.53  | 66.7  | 28.10           | 2.81                  | 25.1  | 17.90           | 2.69                  | 6.65  | 8.2  | 5.87            | 2.76                  | 2.13  |
| March   | 5,445              | 24.30           | 2.89                  | 8.41  | 65.3  | 29.19           | 2.92                  | 25.3  | 18.44           | 2.80                  | 6.59  | 9.4  | 6.24            | 2.86                  | 2.18  |
| April   | 3,860              | 25.15           | 3.08                  | 8.28  | 61.5  | 31.33           | 3.13                  | 26.6  | 19.37           | 2.95                  | 6.57  | 11.0   | 6.00            | 2.76                  | 2.18  |
| May   | 1,977              | 24.36           | 3.17                  | 7.68  | 52.1  | 32.29           | 3.23                  | 33.5  | 19.77           | 3.08                  | 6.42  | 14.4   | 6.37            | 3.10                  | 2.05  |

<sup>1</sup> Data based on 33.3-percent sample, except number of certifications and average benefit per certification; all averages for first registration periods for April and May are based on complete tabulations.

<sup>2</sup> Benefits are payable for each day of unemployment in excess of 7 for first registration period and in excess of 4 for subsequent registration periods.

# OLD-AGE AND SURVIVORS INSURANCE

BUREAU OF OLD-AGE AND SURVIVORS INSURANCE • ANALYSIS DIVISION

## Operations Under the Social Security Act

### Monthly Benefits in Force and Payments Certified, May 1943

At the end of May, benefits were in force for almost 781,000 individuals at a monthly rate of \$14.2 million (table 1). During the month, 5,700 entitlements were terminated, and benefits were awarded to 24,600 individuals.

Benefits in suspension continue to increase as a proportion of the total in force, as well as in absolute number. Suspended benefits totaled 92,300 or 11.8 percent of the total number in force at the end of May; a year earlier they totaled 44,100 or 7.6 percent of all benefits in force.

More than \$12.7 million was certified for monthly benefit payments to nearly 678,000 beneficiaries during May (table 2). The 286,200 primary beneficiaries for whom payments were certified represented 42.2 percent of the total, as compared with 45.4 percent in May a year ago and 48.2 percent in May 1941. The number of survivor payments certified represented 43.9 percent of the total as compared with 39.6 percent in May a year ago and 35.4 percent in May 1941.

Table 2.—Monthly benefits and lump-sum payments certified, by type of payment, May 1943 and cumulative, January-May 1943

| Type of payment                    | May 1943                             |                  |                         |        | Total amount certified Jan.-May 1943 |
|------------------------------------|--------------------------------------|------------------|-------------------------|--------|--------------------------------------|
|                                    | Number of beneficiaries <sup>1</sup> | Amount certified | Percentage distribution |        |                                      |
|                                    |                                      |                  | Beneficiaries           | Amount |                                      |
| Monthly benefits <sup>2</sup>      | 677,858                              | \$12,711,362     | 100.0                   | 100.0  | <sup>3</sup> \$61,036,178            |
| Primary                            | 286,245                              | 6,785,754        | 42.2                    | 53.4   | 32,936,604                           |
| Supplementary                      | 94,400                               | 1,190,551        | 13.9                    | 9.4    | 5,778,950                            |
| Wife's                             | 84,792                               | 1,079,992        | 12.5                    | 8.5    | 5,220,726                            |
| Child's                            | 9,608                                | 110,559          | 1.4                     | .9     | 558,224                              |
| Survivor's                         | 297,213                              | 4,735,057        | 43.9                    | 37.2   | 22,320,534                           |
| Widow's                            | 36,479                               | 793,743          | 5.4                     | 6.2    | 3,623,978                            |
| Widow's current                    | 65,033                               | 1,376,241        | 9.6                     | 10.8   | 6,614,565                            |
| Child's                            | 192,250                              | 2,515,538        | 28.4                    | 19.8   | 11,844,988                           |
| Parent's                           | 3,451                                | 49,535           | .5                      | .4     | 236,983                              |
| Lump-sum payments                  | <sup>4</sup> 11,900                  | 1,664,506        | -----                   | -----  | 7,819,956                            |
| Under 1939 amendments <sup>5</sup> | 11,838                               | 1,661,525        | -----                   | -----  | 7,802,307                            |
| Under 1935 act <sup>6</sup>        | 62                                   | 2,981            | -----                   | -----  | 17,649                               |

<sup>1</sup> Differs from number in current-payment status, which takes account of changes in status effective after certification.

<sup>2</sup> Distribution by type estimated.

<sup>3</sup> Includes retroactive payments.

<sup>4</sup> Number of deceased workers on whose wages payments were based.

<sup>5</sup> Payable with respect to workers who died after December 1939, if no survivor could be entitled to monthly benefits for month in which worker died.

<sup>6</sup> Payable with respect to workers who died prior to January 1940.

Table 1.—Monthly benefits in force<sup>1</sup> in each payment status<sup>2</sup> and actions effected during month, by type of benefit, May 1943

[Current month's data corrected to June 16, 1943]

| Status of benefit and action               | Total   |              | Primary |             | Wife's |             | Child's |             | Widow's |           | Widow's current |             | Parent's |          |
|--|---------|--------------|---------|-------------|--------|-------------|---------|-------------|---------|-----------|-----------------|-------------|----------|----------|
|  | Number  | Amount       | Number  | Amount      | Number | Amount      | Number  | Amount      | Number  | Amount    | Number          | Amount      | Number   | Amount   |
| In force as of Apr. 30, 1943.....          | 761,851 | \$13,865,920 | 337,963 | \$7,796,722 | 96,005 | \$1,179,108 | 209,023 | \$2,558,227 | 35,072  | \$706,860 | 80,395          | \$1,577,695 | 3,393    | \$44,308 |
| Current-payment status.....                | 652,993 | 11,769,067   | 277,376 | 6,420,141   | 82,027 | 1,012,582   | 193,380 | 2,373,794   | 34,612  | 696,699   | 62,251          | 1,222,110   | 3,347    | 43,741   |
| Deferred-payment status.....               | 3,450   | 66,885       | 2,341   | 50,489      | 464    | 5,608       | 291     | 3,471       | 142     | 3,417     | 207             | 3,839       | 5        | 61       |
| Conditional-payment status.....            | 105,408 | 2,029,968    | 58,246  | 1,329,092   | 13,514 | 160,918     | 15,352  | 180,962     | 318     | 6,744     | 17,937          | 351,746     | 41       | 506      |
| Suspended.....                             | 87,367  | 1,640,590    | 49,160  | 1,082,803   | 11,022 | 126,651     | 13,019  | 152,350     | 192     | 3,970     | 13,934          | 274,322     | 40       | 494      |
| Frozen.....                                | 18,041  | 389,378      | 9,086   | 246,289     | 2,492  | 34,267      | 2,333   | 28,612      | 126     | 2,774     | 4,003           | 77,424      | 1        | 12       |
| Actions during May 1943:                   |         |              |         |             |        |             |         |             |         |           |                 |             |          |          |
| Benefits awarded.....                      | 24,605  | 446,558      | 8,446   | 206,820     | 3,022  | 38,721      | 7,938   | 98,321      | 1,865   | 37,280    | 3,224           | 63,953      | 110      | 1,463    |
| Entitlements terminated <sup>3</sup> ..... | 5,671   | 102,082      | 2,040   | 48,478      | 1,004  | 12,229      | 1,573   | 20,599      | 140     | 2,694     | 885             | 17,681      | 29       | 401      |
| Net adjustments <sup>4</sup> .....         | -85     | 15           | -6      | 91          | -6     | -17         | -44     | 55          | -1      | -10       | -28             | -104        | 0        | 0        |
| In force as of May 31, 1943.....           | 780,700 | 14,210,411   | 344,363 | 7,958,155   | 98,017 | 1,205,583   | 215,344 | 2,636,004   | 36,796  | 741,436   | 82,706          | 1,623,863   | 3,474    | 45,370   |
| Current-payment status.....                | 666,610 | 12,015,484   | 281,240 | 6,521,361   | 83,325 | 1,030,704   | 198,759 | 2,439,822   | 36,302  | 730,631   | 63,558          | 1,248,182   | 3,426    | 44,784   |
| Deferred-payment status.....               | 3,302   | 64,395       | 2,182   | 47,655      | 427    | 5,209       | 320     | 3,895       | 144     | 3,446     | 222             | 4,068       | 7        | 92       |
| Conditional-payment status.....            | 110,788 | 2,130,532    | 60,941  | 1,389,139   | 14,265 | 169,670     | 16,265  | 192,287     | 350     | 7,359     | 18,926          | 371,583     | 41       | 494      |
| Suspended.....                             | 92,265  | 1,731,950    | 51,819  | 1,141,225   | 11,726 | 134,714     | 13,781  | 161,615     | 217     | 4,474     | 14,683          | 289,451     | 39       | 471      |
| Frozen.....                                | 18,523  | 398,582      | 9,122   | 247,914     | 2,539  | 34,956      | 2,484   | 30,672      | 133     | 2,885     | 4,243           | 82,132      | 2        | 23       |

<sup>1</sup> Represents total benefits awarded after adjustment for subsequent changes in number and amount of benefits (see footnote 4) and terminations (see footnote 3), cumulative from January 1940.

<sup>2</sup> Benefit in current-payment status is subject to no deduction or only to deduction of fixed amount which is less than current month's benefit. Benefit in deferred-payment status is one withheld entirely for a known period. Benefit in conditional-payment status is one withheld entirely for

an indefinite period; if previously in current or deferred-payment status, it is a suspended benefit; otherwise it is a frozen benefit.

<sup>3</sup> Benefits are terminated when a beneficiary dies or loses entitlement to benefits for the reasons specified in 1939 amendments, sec. 202.

<sup>4</sup> Adjustments result from operation of maximum and minimum provisions of 1939 amendments, sec. 203 (a) and (b), and from other administrative actions.

Almost \$1.7 million was certified in May in lump-sum payments based on the wages of 11,900 deceased workers.

### Applicants for Account Numbers, January-March 1943

By the end of this March, a cumulative total of 69.8 million accounts had been established. It is estimated that there are 65 million living account holders, comprising 79 percent of the male and 45 percent of the female population aged 14 years and over (table 4).

More accounts were established during January-March 1943 than in any first quarter since 1937, the year of initial registration. The total of 1.7 million was 40 percent greater than the number established in the first quarter of 1942, when the lull in the demand for labor during plant conversion brought applications for accounts to an abnormally low level. Largely as a result of the usual seasonal decline, the number established in the first quarter of 1943 was 21 percent less than in the preceding quarter.

Female applicants, continuing to outnumber male applicants, comprised 60 percent of the quarterly total as compared with 48 percent a year ago. Their numbers increased in each age group; the largest relative increases occurred among those aged 35 and over, who accounted for 51 percent of the total increase of 441,000. Although some of these older applicants had probably been in noncovered employment, the great majority were undoubtedly housewives.

The total number of male applicants increased only 8 percent from the first quarter of last year, in contrast to a 76-percent rise in the number of

**Table 4.—Number of applicants for account numbers, by year, 1940-42, and first quarter of 1943, and estimated number of account-number holders at end of each period**

| Period                 | Applicants for account numbers |                                      | Estimated number of account-number holders 14 years and over as of end of period <sup>1</sup> |  |      |        |
|------------------------|--------------------------------|--------------------------------------|---|--|------|--------|
|                        | Total during period            | Cumulative total as of end of period | Number  | Percent of estimated population 14 years and over <sup>2</sup> |      |        |
|                        |                                |                                      |   | Total  | Male | Female |
| 1940.....              | 5,181,709                      | 53,790,199                           | 50,400,000  | 49.2   | 67.6 | 31.5   |
| 1941.....              | 6,677,584                      | 60,467,783                           | 56,500,000  | 54.6   | 73.1 | 36.1   |
| 1942.....              | 7,637,416                      | 68,105,199                           | 63,500,000  | 60.7   | 78.4 | 43.2   |
| January-March 1943.... | 1,705,041                      | 69,810,240                           | 65,000,000  | 62.1   | 79.4 | 44.9   |

<sup>1</sup> Estimated by adjusting the cumulative total of accounts established for duplications as well as for deaths; includes Alaska and Hawaii.

<sup>2</sup> Population 14 years of age and over estimated by the U. S. Bureau of the Census; includes Alaska and Hawaii.

female applicants. There were actually fewer male applicants aged 18, 19, and 20-49 years. This change reflects both the effects of the draft and the fact that most of the men aged 20-49 have already taken out account numbers; and most of those who have not are in farm work for which they have occupational deferment from military service. The greater part of the increase in the number of male applicants occurred in the group under age 18, although the number aged 50 and over also continued to increase.

The number of Negro applicants rose 78 percent from the first quarter of last year, while the number of white applicants rose only 35 percent. In comparison with the last quarter of 1942, the number of Negro applicants actually increased 3 percent while the number of white applicants dropped 24 percent. The increase in the number

**Table 3.—Distribution of account-number applicants under 20 years of age, by sex and age, January-March 1943 and 1942**

| Age                  | Total         |         |                   | Male          |         |                   | Female        |         |                   |
|----------------------|---------------|---------|-------------------|---------------|---------|-------------------|---------------|---------|-------------------|
|                      | January-March |         | Percentage change | January-March |         | Percentage change | January-March |         | Percentage change |
|                      | 1943          | 1942    |                   | 1943          | 1942    |                   | 1943          | 1942    |                   |
| Under 20, total..... | 643,590       | 466,993 | +37.8             | 368,365       | 284,524 | +29.5             | 275,225       | 182,469 | +50.8             |
| Under 18, total..... | 448,474       | 244,434 | +83.5             | 295,152       | 168,918 | +74.7             | 153,322       | 75,516  | +103.0            |
| Under 14.....        | 18,126        | 4,154   | +338.4            | 16,724        | 3,780   | +342.4            | 1,402         | 374     | +274.9            |
| 14.....              | 32,943        | 8,816   | +273.7            | 27,669        | 8,069   | +242.9            | 5,274         | 747     | +606.0            |
| 15.....              | 80,774        | 27,507  | +193.6            | 61,182        | 23,438  | +161.0            | 19,592        | 4,069   | +381.5            |
| 16.....              | 147,980       | 74,902  | +97.6             | 94,912        | 53,089  | +78.8             | 53,068        | 21,813  | +143.3            |
| 17.....              | 168,651       | 129,055 | +30.7             | 94,665        | 80,542  | +17.5             | 73,986        | 48,513  | +52.5             |
| 18.....              | 115,316       | 121,933 | -5.4              | 50,873        | 66,302  | -23.3             | 64,443        | 55,631  | +15.8             |
| 19.....              | 79,800        | 100,626 | +20.7             | 22,340        | 49,304  | -54.7             | 57,460        | 51,322  | +12.0             |



Table 5.—Distribution of applicants for account numbers by sex, race, and age group, January–March 1943

| Age group   | Total     |                    |         | Male    |                    |        | Female    |                    |         |
|-------------|-----------|--------------------|---------|---------|--------------------|--------|-----------|--------------------|---------|
|             | Total     | White <sup>1</sup> | Negro   | Total   | White <sup>1</sup> | Negro  | Total     | White <sup>1</sup> | Negro   |
| Total       | 1,705,041 | 1,447,809          | 257,232 | 682,734 | 596,718            | 86,016 | 1,022,307 | 851,091            | 171,216 |
| Under 15    | 51,069    | 44,023             | 7,046   | 44,393  | 37,820             | 6,573  | 6,676     | 6,203              | 473     |
| 15–19       | 592,521   | 521,835            | 70,686  | 323,972 | 284,781            | 39,191 | 268,549   | 237,054            | 31,495  |
| 20–24       | 159,022   | 114,721            | 44,301  | 28,832  | 21,893             | 6,939  | 130,190   | 92,828             | 37,362  |
| 25–29       | 120,636   | 87,579             | 33,057  | 19,098  | 14,967             | 4,131  | 101,538   | 72,612             | 28,926  |
| 30–34       | 132,196   | 104,304            | 27,892  | 26,315  | 22,364             | 3,951  | 105,881   | 81,940             | 23,941  |
| 35–39       | 144,533   | 120,590            | 23,943  | 33,363  | 29,110             | 4,253  | 111,170   | 91,480             | 19,690  |
| 40–44       | 134,172   | 115,953            | 18,219  | 35,403  | 30,976             | 4,427  | 98,769    | 84,977             | 13,792  |
| 45–49       | 119,918   | 107,597            | 12,321  | 37,369  | 33,003             | 4,366  | 82,549    | 74,594             | 7,955   |
| 50–54       | 91,170    | 83,524             | 7,646   | 35,285  | 31,684             | 3,601  | 55,885    | 51,840             | 4,045   |
| 55–59       | 67,763    | 62,505             | 5,258   | 32,713  | 29,529             | 3,184  | 35,050    | 32,976             | 2,074   |
| 60–64       | 44,360    | 41,353             | 3,007   | 27,056  | 24,946             | 2,110  | 17,304    | 16,407             | 897     |
| 65–69       | 27,650    | 25,354             | 2,296   | 21,147  | 19,223             | 1,924  | 6,503     | 6,131              | 372     |
| 70 and over | 19,713    | 18,371             | 1,342   | 17,589  | 16,360             | 1,229  | 2,124     | 2,011              | 113     |
| Unknown     | 318       | 100                | 218     | 199     | 62                 | 137    | 119       | 38                 | 81      |

<sup>1</sup> Represents all races other than Negro.

of Negro applicants was accounted for largely by the great increase in the number of Negro girls and women for whom accounts were established; totaling 64,400 in the first quarter of 1942, their

number rose to 147,850 in the fourth quarter, and to 171,216 in the first quarter of 1943. These changes presumably reflect increased employment opportunities for that group of workers.

## Operations Under the Railroad Retirement Act\*

Benefit payments certified to the Secretary of the Treasury during May amounted to \$11.1 million (table 1), bringing the total certified since the beginning of 1943 to \$54.8 million.

New applications for employee annuities received and processed in May totaled 1,736 and those initially certified, 1,233. The monthly averages for 1943 to date were 1,574 and 1,355, respectively. Survivor and death-benefit annuities certified in May numbered 111, about the same as the average for the previous months of 1943. The 1,567 lump-sum death benefits certified, on the other hand, were considerably above the 5-month average of 1,299. No new pensions have been certified in 1943.

At the end of May, 159,600 monthly benefits were in force at a total monthly amount of \$10.2 million. Employee annuities alone accounted for 131,000 at \$8.7 million, and pensions to former carrier pensioners for 24,500 at \$1.4 million. During the first 5 months of 1943, the number of employee annuities in force increased by an average of 432 a month, while the number of pensions decreased by an average of 295. The survivor-an-

nunity rolls were slightly larger and death-benefit annuities slightly fewer in number this year than in 1942.

*Inactive applications.*—Approximately half of all employee-annuity applications received are placed in inactive status because the claimant is still working, or because, though he is no longer in service, his annuity cannot begin to accrue for more than 30 days. About 15 percent of these inactive claims are filed by applicants for disability annuities. For the most part these are cases in which the disability claim has been disallowed and the applicant cannot yet qualify for an age annuity. The large majority of inactive cases represent applications for age annuities, and practically all are filed by individuals who are still working. In about three-fourths of these cases, the applicant plans to retire within 6 months after filing, although in some instances the retirement date may be set as far ahead as 2 or 3 years. At the end of May, 16,400 claims were in inactive status.

*Unpaid death benefits.*—A large and growing number of potential death benefits are not claimed by survivors.<sup>1</sup> The Board estimates from data now available that during the fiscal year 1941–42

\*Prepared by the Office of Director of Research, Railroad Retirement Board in collaboration with the Bureau of Research and Statistics, Social Security Board.

<sup>1</sup> See the Bulletin, October 1942, pp. 22–23.

there were more than 25,000 deaths among individuals in or out of the railroad industry who had wage credits under the retirement system, exclusive of deaths of annuitants or applicants for annuities. Only a little more than 13,000 deaths were reported to the Board, however, virtually all of them by employers. It appears, therefore, that almost half of the potential claims relate to benefits arising from the deaths of individuals who had severed their relations with the industry and whose survivors had failed to file claims. Such cases have actually been increasing in recent years and will doubtless continue to be fairly significant because of the large number of employees who have entered railroad service and whose attachment to the industry will be relatively brief.

Because of the large number of cases involving

small amounts of creditable compensation, the unpaid benefits represent only about 10 percent of the total amount of lump-sum death benefits payable in the last fiscal year. That some of these unpaid benefits are for substantial amounts, however, is indicated by the fact that they averaged about \$30.

In 7 percent of the cases in which the Board had received notifications of death in 1941-42, it was found that benefits had been due but were forfeited. In the majority of these cases the survivor made no application; the average unpaid benefit in this group is estimated at \$62. For those applications filed but abandoned before the claim could be settled, the average benefit was \$52. In some instances, however, the amount involved was several hundred dollars.

**Table 1.—Railroad retirement: Annuities and pensions in force and net benefit payments certified to the Secretary of the Treasury, by class of benefit, May 1943<sup>1</sup>**

| Period and action                   | Total   |              | Employee annuities |             | Pensions to former carrier pensioners |             | Survivor annuities |           | Death-benefit annuities <sup>2</sup> |          |
|-------------------------------------|---------|--------------|--------------------|-------------|---------------------------------------|-------------|--------------------|-----------|--------------------------------------|----------|
|                                     | Number  | Amount       | Number             | Amount      | Number                                | Amount      | Number             | Amount    | Number                               | Amount   |
| In force as of Apr. 30, 1943.....   | 159,508 | \$10,233,177 | 130,789            | \$8,641,233 | 24,801                                | \$1,464,412 | 3,347              | \$107,081 | 571                                  | \$20,449 |
| During May 1943:                    |         |              |                    |             |                                       |             |                    |           |                                      |          |
| Initial certifications.....         | 1,344   | 83,989       | 1,233              | 80,257      | 0                                     | 0           | 44                 | 1,314     | 67                                   | 2,417    |
| Terminations by death (deduct)..... | 1,243   | 76,037       | 893                | 57,795      | 267                                   | 15,313      | 9                  | 270       | 74                                   | 2,657    |
| In force as of May 31, 1943.....    | 159,565 | 10,241,872   | 131,082            | 8,664,310   | 24,538                                | 1,449,226   | 3,382              | 108,147   | 563                                  | 20,187   |
| Total payments (net).....           |         | \$11,089,472 |                    | 8,952,521   |                                       | 1,432,983   |                    | 111,165   |                                      | 27,611   |

<sup>1</sup> For definitions of classes of benefit, see the Bulletin, October 1942, p. 25. Data for initial certifications are for period in which payment was certified, not for period in which it began to accrue. Data for terminations by death are for period in which notice of death was received, not for period in which beneficiary died. In-force data represent certifications less terminations by death; they are adjusted for recertifications, reinstatements, and terminations for reasons other than death (suspension, return to service, recovery from disability, commutation to lump-sum payment). Certifications are reported

on an accounting-month basis ended on approximately the 20th, terminations are reported through the 10th, and total payments are on calendar-month basis. Cents omitted.

<sup>2</sup> In a few cases, payments are made to more than 1 survivor on account of death of 1 individual; such payments are counted as single items. Terminations include those by death and by expiration of 12-month period for which death-benefit annuities are payable; nearly all terminations are of latter type.

<sup>3</sup> Includes \$565,190 for lump-sum death benefits.

# SOCIAL AND ECONOMIC DATA

BUREAU OF RESEARCH AND STATISTICS

## Social Security and Other Income Payments to Individuals

Income payments to individuals, continuing the rise which began almost 3 years ago, amounted to \$11.8 billion in May, 1 percent more than in April and 27 percent more than in May 1942 (table 1). In view of the further scheduled expansion in the production of war materials, it is apparent that income payments in 1943 will approach \$150 billion. Despite wartime controls and restrictions on the civilian economy, which have undoubtedly caused hardships in individual cases, the population as a whole has not so far suffered severely. Further decreases in the production of civilian goods and continued pressure on the price level, however, can be expected to affect the standards of living of the general population.

Compensation of employees amounted to \$8.3 billion in May and was the only segment of income payments to show an increase of as much as 1 percent; decreases occurred in all other compo-

nents except dividends and interest, which increased 0.3 percent. Wages and salaries, which represented 71 percent of all payments, have advanced steadily since the inauguration of the defense program in 1940. This advance is accounted for by rising employment, upgrading of workers, longer hours, and increased wage rates. The rapid growth in total employment has been largely concentrated in manufacturing industries, and in Government services, including the armed forces; other groups have either held the pre-war levels or suffered decreases. Further decreases in employment in the less essential industries will undoubtedly occur, since manufacturing employment must continue to increase if the scheduled war program is to be realized. Such additional shifts into the war industries, with their higher wage rates and longer hours, will cause further growth in wage and salary payments.

Table 1.—Income payments to individuals, by specified period, 1936-43<sup>1</sup>

[In millions; data corrected to July 5, 1943]

| Calendar year and month | Total    | Compensation of employees <sup>2</sup> | Entrepreneurial income, net rents, and royalties | Dividends and interest | Public aid               |                            | Social insurance and related payments <sup>3</sup> | Veterans' bonus |
|-------------------------|----------|--|--|------------------------|--------------------------|----------------------------|--|-----------------|
|                         |          |  |  |                        | Work relief <sup>4</sup> | Direct relief <sup>4</sup> |  |                 |
| 1936                    | \$68,024 | \$40,027                               | \$13,003   | \$9,785                | \$2,155                  | \$672                      | \$955  | \$1,427         |
| 1937                    | 72,365   | 44,689                                 | 14,162   | 9,891                  | 1,639                    | 836                        | 1,020  | 128             |
| 1938                    | 66,135   | 40,845                                 | 12,369   | 8,233                  | 2,094                    | 1,008                      | 1,529  | 57              |
| 1939                    | 70,829   | 43,906                                 | 13,441   | 8,891                  | 1,870                    | 1,071                      | 1,616  | 34              |
| 1940                    | 76,472   | 48,309                                 | 14,484   | 9,175                  | 1,577                    | 1,098                      | 1,801  | 28              |
| 1941                    | 92,229   | 60,356                                 | 18,139   | 9,653                  | 1,213                    | 1,112                      | 1,737  | 19              |
| 1942                    | 115,479  | 79,522                                 | 23,145   | 9,331                  | 586                      | 1,061                      | 1,823  | 11              |
| 1942                    |          |  |  |                        |                          |                            |  |                 |
| May                     | 9,258    | 6,329                                  | 1,840  | 789                    | 58                       | 89                         | 152  | 1               |
| June                    | 9,486    | 6,550                                  | 1,858  | 784                    | 53                       | 87                         | 153  | 1               |
| July                    | 9,652    | 6,716                                  | 1,874  | 772                    | 45                       | 86                         | 158  | 1               |
| August                  | 9,844    | 6,858                                  | 1,946  | 766                    | 35                       | 86                         | 152  | 1               |
| September               | 9,954    | 6,950                                  | 1,981  | 761                    | 30                       | 85                         | 146  | 1               |
| October                 | 10,230   | 7,173                                  | 2,045  | 757                    | 26                       | 85                         | 143  | 1               |
| November                | 10,601   | 7,431                                  | 2,169  | 755                    | 24                       | 84                         | 137  | 1               |
| December                | 10,847   | 7,604                                  | 2,246  | 752                    | 23                       | 84                         | 138  | 1               |
| 1943                    |          |  |  |                        |                          |                            |  |                 |
| January                 | 11,017   | 7,788                                  | 2,236  | 751                    | 19                       | 83                         | 139  | 1               |
| February                | 11,256   | 7,940                                  | 2,330  | 751                    | 15                       | 81                         | 139  | (*)             |
| March                   | 11,477   | 8,042                                  | 2,450  | 754                    | 11                       | 78                         | 141  | 1               |
| April                   | 11,649   | 8,186                                  | 2,484  | 757                    | 7                        | 77                         | 138  | (*)             |
| May                     | 11,753   | 8,298                                  | 2,478  | 759                    | 4                        | 76                         | 138  | (*)             |

<sup>1</sup> Compensation of employees; entrepreneurial income, net rents, and royalties; and dividends and interest adjusted for seasonal variation.

<sup>2</sup> Wage and salary payments minus deductions for employee contributions to social insurance and related programs. Includes industrial pensions, payments to the armed forces, and Government portion of payments to dependents of members of the armed forces.

<sup>3</sup> Earnings of persons employed by NYA, WPA, and CCC. Excludes earnings of persons employed on other Federal agency projects financed from emergency funds; such earnings are included in compensation of employees.

<sup>4</sup> Payments to recipients under 3 special public assistance programs and

general assistance, value of food stamps issued by Food Distribution Administration under food stamp plan, and subsistence payments certified by Farm Security Administration.

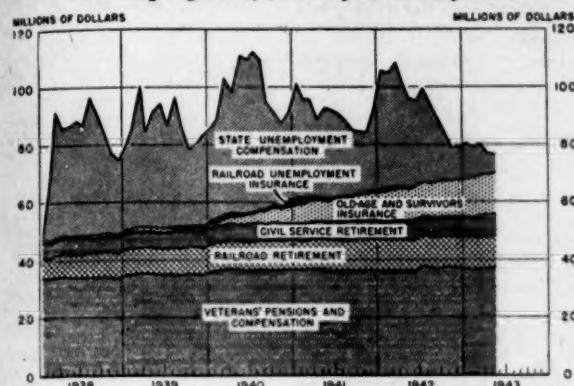
<sup>5</sup> Payments under programs of old-age and survivors insurance, railroad retirement, Federal, State, and local retirement, veterans' pensions, workmen's compensation, State unemployment compensation, and railroad unemployment insurance.

<sup>6</sup> Less than \$500,000.

Source: U. S. Department of Commerce, Bureau of Foreign and Domestic Commerce.



Chart 1.—Payments under selected social insurance and related programs, January 1938–May 1943



Entrepreneurial income, net rents, and royalties decreased slightly from the April level but were

35 percent above levels of a year ago, largely because of the substantial increase in farm income. The change in dividend and interest payments was the reverse of that for entrepreneurial income; payments in May were 0.3 percent greater than in April but 3.8 percent less than such payments in May 1942.

Direct and work relief payments amounted to \$80 million, only slightly more than half such payments in May 1942. Work relief payments decreased 43 percent from April and were less than a tenth of the May 1942 amount. Direct relief payments, in which the considerable decline in general relief was offset in part by the increase in old-age assistance, were 15 percent below the level of last May.

Table 2.—Payments under selected social insurance and related programs, by specified period, 1936–43<sup>1</sup>

[In thousands; data corrected to July 6, 1943]

| Calendar year and month | Total     | Retirement, disability, and survivor payments           |                                  |                                      |                                       |                                      |                                  |                                      |                                      |                                  |                                      |                                       |                                      | Re-funds under Civil Service Commission to employees leaving service <sup>8</sup> | Unemployment insurance payments |  |   |
|-------------------------|-----------|---|----------------------------------|--------------------------------------|---------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|---------------------------------------|--------------------------------------|---|---------------------------------|--|---|
|                         |           | Monthly retirement and disability payments <sup>2</sup> |                                  |                                      |                                       |                                      | Survivor payments                |                                      |                                      |                                  |                                      |                                       |                                      |   | Total                           | State unemployment compensation laws <sup>11</sup> | Railroad Unemployment Insurance Act <sup>12</sup> |
|                         |           |   |                                  |                                      |                                       |                                      | Monthly                          |                                      |                                      | Lump-sum                         |                                      |                                       |                                      |   |                                 |  |   |
|                         |           | Total   | Social Security Act <sup>3</sup> | Railroad Retirement Act <sup>4</sup> | Civil Service Commission <sup>5</sup> | Veterans Administration <sup>6</sup> | Social Security Act <sup>7</sup> | Railroad Retirement Act <sup>4</sup> | Veterans Administration <sup>6</sup> | Social Security Act <sup>3</sup> | Railroad Retirement Act <sup>4</sup> | Civil Service Commission <sup>5</sup> | Veterans Administration <sup>6</sup> |   |                                 |  |   |
| 1936                    | \$461,760 | \$458,765   |                                  | \$683                                | \$51,630                              | \$299,001                            |                                  | \$2                                  | \$99,992                             |                                  |                                      | \$4,062                               | \$3,395                              | \$2,864   | \$131                           | \$131  |   |
| 1937                    | 505,143   | 499,532   |                                  | 40,001                               | 53,694                                | 299,660                              |                                  | 444                                  | 96,370                               | \$1,278                          |                                      | 4,401                                 | 3,684                                | 3,479   | 2,132                           | 2,132  |   |
| 1938                    | 972,926   | 575,814   |                                  | 96,766                               | 56,118                                | 301,277                              |                                  | 1,383                                | 101,492                              | 10,478                           |                                      | 4,604                                 | 3,405                                | 3,326   | 393,786                         | 393,786  |   |
| 1939                    | 1,046,006 | 608,095   |                                  | 107,282                              | 58,331                                | 307,512                              |                                  | 1,451                                | 109,192                              | 13,996                           | 1,926                                | 4,982                                 | 3,553                                | 2,846   | 435,065                         | 429,298  | \$5,767   |
| 1940                    | 1,191,908 | 654,042   | \$21,075                         | 114,166                              | 62,019                                | 317,851                              | \$7,784                          | 1,448                                | 105,696                              | 11,736                           | 2,497                                | 5,810                                 | 3,980                                | 3,277   | 534,599                         | 518,700  | 15,889  |
| 1941                    | 1,090,102 | 726,631   | 55,141                           | 119,913                              | 64,933                                | 320,561                              | 25,454                           | 1,559                                | 111,799                              | 13,328                           | 3,421                                | 6,170                                 | 4,352                                | 4,615   | 558,856                         | 544,321  | 14,535  |
| 1942                    | 1,137,074 | 780,364   | 80,304                           | 122,806                              | 68,115                                | 325,262                              | 41,702                           | 1,603                                | 111,196                              | 15,034                           | 4,114                                | 6,108                                 | 4,120                                | 6,367   | 550,353                         | 544,084  | 6,269   |
| 1942                    |           |   |                                  |                                      |                                       |                                      |                                  |                                      |                                      |                                  |                                      |                                       |                                      |   |                                 |  |   |
| May                     | 96,281    | 63,744  | 6,544                            | 10,068                               | 5,594                                 | 26,646                               | 3,313                            | 125                                  | 9,182                                | 1,239                            | 256                                  | 402                                   | 375                                  | 514   | 32,023                          | 31,704   | 319   |
| June                    | 95,580    | 64,581  | 6,660                            | 10,210                               | 5,637                                 | 26,658                               | 3,431                            | 141                                  | 9,212                                | 1,278                            | 449                                  | 547                                   | 358                                  | 547   | 30,452                          | 30,226   | 226   |
| July                    | 99,608    | 66,278  | 6,824                            | 10,288                               | 5,677                                 | 28,027                               | 3,545                            | 140                                  | 9,233                                | 1,186                            | 514                                  | 503                                   | 341                                  | 551   | 32,779                          | 32,625   | 154   |
| August                  | 94,605    | 65,685  | 6,873                            | 10,262                               | 5,743                                 | 27,491                               | 3,569                            | 139                                  | 9,256                                | 967                              | 389                                  | 690                                   | 316                                  | 445   | 28,475                          | 28,252   | 223   |
| September               | 89,645    | 66,508  | 7,141                            | 10,257                               | 5,772                                 | 27,360                               | 3,805                            | 137                                  | 9,251                                | 1,529                            | 299                                  | 612                                   | 345                                  | 536   | 22,601                          | 22,395   | 206   |
| October                 | 84,457    | 66,813  | 7,175                            | 10,308                               | 5,802                                 | 27,517                               | 3,863                            | 134                                  | 9,486                                | 1,239                            | 349                                  | 609                                   | 331                                  | 558   | 17,086                          | 16,896   | 190   |
| November                | 78,801    | 66,425  | 7,191                            | 10,326                               | 5,820                                 | 27,350                               | 3,921                            | 135                                  | 9,372                                | 1,104                            | 344                                  | 553                                   | 309                                  | 645   | 11,731                          | 11,574   | 157   |
| December                | 79,567    | 67,333  | 7,338                            | 10,402                               | 5,858                                 | 27,493                               | 4,062                            | 137                                  | 9,432                                | 1,362                            | 413                                  | 489                                   | 327                                  | 521   | 11,713                          | 11,558   | 155   |
| 1943                    |           |   |                                  |                                      |                                       |                                      |                                  |                                      |                                      |                                  |                                      |                                       |                                      |   |                                 |  |   |
| January                 | 80,392    | 67,307  | 7,464                            | 10,302                               | 5,913                                 | 27,310                               | 4,171                            | 135                                  | 9,423                                | 1,395                            | 313                                  | 538                                   | 343                                  | 701   | 12,384                          | 12,182   | 202   |
| February                | 79,206    | 67,762  | 7,623                            | 10,364                               | 5,941                                 | 27,293                               | 4,308                            | 138                                  | 9,332                                | 1,453                            | 421                                  | 547                                   | 342                                  | 408   | 11,036                          | 10,878   | 158   |
| March                   | 80,525    | 68,771  | 7,781                            | 10,386                               | 5,968                                 | 27,416                               | 4,492                            | 140                                  | 9,445                                | 1,672                            | 414                                  | 627                                   | 340                                  | 870   | 10,884                          | 10,744   | 140   |
| April                   | 77,119    | 68,865  | 7,871                            | 10,106                               | 5,985                                 | 27,410                               | 4,615                            | 128                                  | 9,530                                | 1,635                            | 517                                  | 668                                   | 340                                  | 781   | 7,473                           | 7,369  | 104   |
| May                     | 76,545    | 69,203  | 7,976                            | 10,114                               | 6,022                                 | 27,459                               | 4,735                            | 128                                  | 9,567                                | 1,665                            | 565                                  | 601                                   | 371                                  | 907   | 6,435                           | 6,383  | 52  |

<sup>1</sup> Data represent payments to individuals and exclude cost of administration. Payments under Social Security and Railroad Retirement Acts (including retroactive payments) and payments under Railroad Unemployment Insurance Act are amounts certified; payments under Civil Service Commission and Veterans Administration are disbursements minus cancellations; State unemployment insurance payments are checks issued by State agencies.

<sup>2</sup> Old-age retirement benefits under all acts, disability retirement benefits under Railroad Retirement and Civil Service Retirement Acts, and disability payments to veterans.

<sup>3</sup> Represents primary and wife's benefits and benefits to children of primary beneficiaries. Partly estimated.

<sup>4</sup> Amounts certified, minus cancellations. Monthly payments to survivors include annuities to widows under joint and survivor elections and 12-month death-benefit annuities to widows and next of kin.

<sup>5</sup> Represents principally payments from civil-service retirement and disability fund but includes also payments from Canal Zone retirement and disability fund and Alaska Railroad retirement and disability fund adminis-

tered by Civil Service Commission. Monthly retirement payments include accrued annuities to date of death paid to survivors. Data for calendar years 1936–39 estimated on basis of fiscal-year data.

<sup>6</sup> Veterans' pensions and compensation payments.

<sup>7</sup> Represents widow's, widow's current, parent's, and child's benefits. Partly estimated.

<sup>8</sup> Payments to widows, parents, and children of deceased veterans.

<sup>9</sup> Represents survivor payments with respect to deaths of covered workers under both the 1935 and 1939 acts, and, for the period January 1937–August 1939, payments to covered workers at age 65 totaling \$9.9 million, which are not survivor payments.

<sup>10</sup> Payments for burial of deceased veterans.

<sup>11</sup> Annual figures adjusted for voided benefit checks; monthly figures unadjusted.

<sup>12</sup> 1942 annual figures adjusted for underpayments and recoveries of overpayments; monthly figures unadjusted.

<sup>13</sup> Preliminary estimate.

**Table 3.—Individuals receiving payments under selected social insurance and related programs, by month, May 1942–May 1943**

[In thousands; data corrected to July 6, 1943]

| Year and month | Retirement, disability, and survivor beneficiaries |                                      |                                       |                                      |                                  |                                      |                                      |                     |                         |                          | Separated employees receiving refunds under Civil Service Commission <sup>8</sup> | Unemployment insurance beneficiaries               |   |     |
|----------------|--|--------------------------------------|---------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|--------------------------------------|---------------------|-------------------------|--------------------------|---|--|---|-----|
|                | Monthly retirement and disability beneficiaries    |                                      |                                       |                                      | Survivor beneficiaries           |                                      |                                      |                     |                         |                          |   | State unemployment compensation laws <sup>10</sup> | Railroad Unemployment Insurance Act <sup>11</sup> |     |
|                |  |                                      |                                       |                                      |                                  |                                      |                                      |                     |                         |                          |   |  |   |     |
|                | Social Security Act <sup>1</sup>                   | Railroad Retirement Act <sup>2</sup> | Civil Service Commission <sup>3</sup> | Veterans Administration <sup>4</sup> | Social Security Act <sup>5</sup> | Railroad Retirement Act <sup>6</sup> | Veterans Administration <sup>7</sup> | Social Security Act | Railroad Retirement Act | Civil Service Commission |   | Veterans Administration                            |   |     |
| 1942           |  |                                      |                                       |                                      |                                  |                                      |                                      |                     |                         |                          |   |  |   |     |
| May.....       | 316.8  | 153.4                                | 69.7                                  | 622.9                                | 207.9                            | 3.6                                  | 316.6                                | 9.0                 | 0.8                     | 0.5                      | 3.5   | 4.9  | 609.7   | 7.2 |
| June.....      | 322.3  | 153.3                                | 70.0                                  | 623.0                                | 215.3                            | 3.6                                  | 316.8                                | 9.2                 | 1.4                     | .6                       | 3.5   | 5.1  | 552.7   | 4.7 |
| July.....      | 328.7  | 153.8                                | 70.4                                  | 623.1                                | 222.5                            | 3.7                                  | 317.6                                | 8.5                 | 1.3                     | .5                       | 3.6   | 5.5  | 574.9   | 3.3 |
| August.....    | 333.2  | 153.8                                | 70.9                                  | 623.5                                | 226.7                            | 3.8                                  | 318.5                                | 6.9                 | 1.3                     | .8                       | 3.3   | 4.8  | 543.0   | 4.6 |
| September..... | 341.2  | 154.3                                | 71.4                                  | 623.1                                | 236.1                            | 3.8                                  | 315.5                                | 10.8                | 1.1                     | .7                       | 3.5   | 6.3  | 422.7   | 4.3 |
| October.....   | 345.4  | 154.5                                | 71.7                                  | 623.6                                | 242.5                            | 3.8                                  | 315.8                                | 8.8                 | 1.0                     | .7                       | 3.4   | 7.7  | 310.4   | 3.9 |
| November.....  | 346.6  | 154.7                                | 72.2                                  | 624.0                                | 247.8                            | 3.8                                  | 316.1                                | 7.9                 | 1.0                     | .7                       | 3.2   | 8.9  | 221.5   | 3.3 |
| December.....  | 351.8  | 154.9                                | 72.7                                  | 624.1                                | 255.1                            | 3.8                                  | 315.9                                | 9.7                 | 1.2                     | .6                       | 3.3   | 7.3  | 192.6   | 3.3 |
| 1943           |  |                                      |                                       |                                      |                                  |                                      |                                      |                     |                         |                          |   |  |   |     |
| January.....   | 358.4  | 154.9                                | 72.8                                  | 622.8                                | 262.3                            | 3.8                                  | 311.5                                | 9.8                 | 1.0                     | .7                       | 3.7   | 10.0   | 226.8   | 4.0 |
| February.....  | 364.6  | 155.4                                | 73.4                                  | 622.0                                | 269.7                            | 3.9                                  | 311.2                                | 10.2                | 1.3                     | .7                       | 3.7   | 9.3  | 208.6   | 3.5 |
| March.....     | 369.9  | 155.4                                | 73.7                                  | 621.0                                | 279.2                            | 3.9                                  | 311.9                                | 11.9                | 1.2                     | .8                       | 4.4   | 14.8   | 181.5   | 2.6 |
| April.....     | 375.1  | 155.6                                | 74.0                                  | 620.8                                | 288.2                            | 3.9                                  | 312.2                                | 11.8                | 1.4                     | 1.0                      | 4.1   | 13.1   | 131.2   | 1.9 |
| May.....       | 380.6  | 155.6                                | 74.4                                  | 621.9                                | 297.2                            | 3.9                                  | 313.4                                | 11.9                | 1.6                     | .9                       | 3.8   | 13.0   | 119.5   | 1.0 |

<sup>1</sup> Primary beneficiaries and their wives and children, for whom benefits were certified.

<sup>2</sup> Annuitants and pensioners on roll as of 20th of month; includes disability annuitants.

<sup>3</sup> See table 2, footnote 5. Includes persons receiving survivor benefits under joint and survivor elections. Figures not adjusted for suspension of annuities of persons reemployed under National Defense Acts of June 28, 1940, and Jan. 24, 1942.

<sup>4</sup> Veterans receiving pensions and compensation.

<sup>5</sup> Widows, parents, and children for whom benefits were certified.

<sup>6</sup> Widows receiving survivor benefits under joint and survivor elections and next of kin receiving death-benefit annuities for 12 months; number on roll as of 20th of month. Widows receiving both survivor and death-benefit annuities are counted twice, but 2 or more individuals sharing 1 death-benefit annuity are counted as 1.

<sup>7</sup> Widows, parents, and children of deceased veterans on whose account payments were made during month.

<sup>8</sup> For Social Security Act, deceased wage earners whose survivors received payments under either the 1935 or 1939 act; for Railroad Retirement Act, deceased wage earners whose survivors received payments certified in month ended on 20th calendar day; for Civil Service Commission, employees who died before retirement age and annuitants with unexpended balances whose survivors received payments; for Veterans Administration, survivors or other persons entitled to reimbursement for expenditures in connection with burial of deceased veterans.

<sup>9</sup> See table 2, footnote 5 for programs covered.

<sup>10</sup> Represents average weekly number of benefit recipients.

<sup>11</sup> Represents average number of persons receiving benefits for unemployment in a 14-day registration period.

Social insurance and related payments showed no change from April totals but were 9.2 percent below payments in May 1942. The decline in unemployment insurance payments over the past year has been larger than the increase in retirement and workmen's compensation payments, although during the past 6 months the level of aggregate social insurance payments has been relatively steady.

Payments under the selected social insurance programs shown in table 2 declined slightly in May, but the total—\$76.5 million—was 21 percent below the level of May 1942.

Retirement, disability, and survivor payments amounted to \$69.2 million in May or 90 percent of total payments. Benefits paid under the unemployment insurance programs amounted to \$6.4 million, less than 9 percent of the total. This distribution of payments is in sharp contrast to that in May 1942, when unemployment insurance payments constituted one-third of all payments. Sharp declines in unemployment insurance bene-

fits and continued increases in retirement, disability, and survivor benefits combined to produce the increased concentration of payments.

Refunds of \$907,000 under the Civil Service Commission to employees leaving the Federal service accounted for 1.2 percent of total payments, as compared with 0.5 percent in May 1942.

Monthly retirement and disability payments under the four programs increased slightly in May; the largest increase—1.3 percent—was registered in payments under the social security program. Compared with May 1942, payments under this program were 21.9 percent higher; payments under programs administered by the Civil Service Commission rose 7.7 percent, and those under the railroad retirement and Veterans Administration programs, less than 4 percent.

Monthly payments to survivors under the old-age and survivors insurance program were 43 percent above the May 1942 figure, while under the other two programs providing such payments the increases were less than 5 percent. Lump-

sum payments increased from April to May under the social security and railroad retirement programs—by 1.8 and 9.3 percent, respectively—but decreased 10.0 and 7.3 percent under the programs of the Civil Service Commission and Veterans Administration, respectively. Lump-sum payments under all programs except the veterans' have increased substantially during the past year.

State unemployment compensation payments amounted to \$6.4 million, 13 percent less than

in April and 80 percent less than in May 1942. Railroad unemployment insurance payments dropped 50 percent, to \$52,000, and were 84 percent below the level of a year ago.

Approximately 1.8 million individuals received monthly payments (table 3) amounting to \$66.0 million and 18,200 received lump-sum payments of \$3.2 million under the retirement, disability, and survivor programs. Unemployment insurance payments amounting to \$6.4 million were made to about 121,000 beneficiaries.

## Financial and Economic Data

### Receipts

Social security tax receipts were higher in May than in any previous month except February 1943, when unemployment taxes based on pay rolls of the previous calendar year were payable (table 2). Despite the large increase, these collections accounted for only 16 percent of total Federal receipts, a considerably smaller proportion than the 28 percent in May 1942. Total Federal receipts in May were almost \$1 billion more than in the same month of last year. More than \$900 million or 54 percent of the May receipts consisted of income-tax collections. For the first 11 months of the fiscal year 1942-43, Federal income-tax collections totaled \$12.3 billion, more than twice the amount collected in the corresponding period of 1941-42.

Federal insurance contributions in May reached a record high of \$265 million, exceeding February collections by 12 percent and May 1942 collections by 30 percent (table 3). Contributions for April and May combined—\$308 million—exceeded total collections for any previous quarter and indicated that covered pay rolls during January-March amounted to approximately \$15.5 billion.

Although the index of industrial production shown in table 1 rose 2 points from the fourth quarter of 1942 to the first quarter of 1943 and the index of wage earners rose only 3.8 points, the index of weekly wages increased nearly 18 points. April and May receipts indicated that Federal insurance contributions will show a rise of approximately 12 percent from the first to the second quarter of 1943. Collections during the second quarter reflect the fact that taxable earnings during the first quarter include as much as

\$3,000 of all wages and salaries, whereas collections in later quarters are affected increasingly by the fact that when contributions have been paid on \$3,000 of taxable wages, additional amounts paid by the employer to the worker in the calendar year are not taxable.

Industrial activity as a whole remained at the same high level in May as in April. Production in munitions industries continued to rise, and aircraft factories established a new record of activity. The indexes for most nondurable-goods industries showed little change. The Federal Reserve Board

Table 1.—Average indexes of industrial production, wage earners, weekly wages, and Federal insurance contributions, by quarter, 1939-May 1943

| Year and quarter       | Index of industrial production <sup>1</sup> | Index of wage earners <sup>2</sup> | Index of weekly wages <sup>2</sup> | Federal insurance contributions (in millions) |
|------------------------|---|------------------------------------|------------------------------------|---|
| <b>1939</b>            |   |                                    |                                    |   |
| First.....             | 99  | 95.3                               | 93.7                               | \$133.3                                       |
| Second.....            | 100   | 96.4                               | 94.4                               | 139.5   |
| Third.....             | 109   | 100.8                              | 99.3                               | 141.8   |
| Fourth.....            | 125   | 107.6                              | 112.7                              | 153.1   |
| <b>1940</b>            |   |                                    |                                    |   |
| First.....             | 114   | 104.0                              | 107.5                              | 148.6   |
| Second.....            | 117   | 102.4                              | 106.4                              | 161.2   |
| Third.....             | 125   | 107.7                              | 114.6                              | 164.7   |
| Fourth.....            | 136   | 116.1                              | 129.5                              | 162.8   |
| <b>1941</b>            |   |                                    |                                    |   |
| First.....             | 140   | 119.9                              | 139.6                              | 170.9   |
| Second.....            | 153   | 128.8                              | 160.7                              | 192.2   |
| Third.....             | 163   | 138.4                              | 178.5                              | 207.7   |
| Fourth.....            | 166   | 141.4                              | 191.3                              | 218.5   |
| <b>1942</b>            |   |                                    |                                    |   |
| First.....             | 167   | 142.1                              | 208.0                              | 222.8   |
| Second.....            | 175   | 148.1                              | 228.2                              | 246.7   |
| Third.....             | 186   | 156.7                              | 253.1                              | 264.5   |
| Fourth.....            | 195   | 162.4                              | 279.7                              | 278.5   |
| <b>1943</b>            |   |                                    |                                    |   |
| First.....             | 197   | 166.2                              | 297.5                              | 276.7   |
| Second (2 months)..... | ( <sup>3</sup> )                            | ( <sup>3</sup> )                   | ( <sup>3</sup> )                   | 306.0   |

<sup>1</sup> Based on unadjusted monthly index of Federal Reserve Board; 1935-39=100.

<sup>2</sup> Based on unadjusted monthly index of U. S. Bureau of Labor Statistics; 1939=100.

<sup>3</sup> Not available.



unadjusted index of industrial production, which rose to 201 in April, increased another 2 points in May; the seasonally adjusted index stood at 203 for both months. The Bureau of Labor Statistics unadjusted index of wage earners declined from 167.5 in April to 167.1 in May.

Collections of \$11.7 million under the Federal Unemployment Tax Act during May brought the total received during the first 5 months of 1943 to \$131 million, or \$7.3 million more than the amount received during all 1942 (table 3). The

\$168 million in State unemployment contributions collected in May brought collections for the first 2 months of the quarter to \$316 million, more than collections in all 3 months of any previous quarter.

### Expenditures

Social security and Railroad Retirement Board expenditures, including net appropriations to the old-age and survivors insurance trust fund, represented 3.9 percent of total Federal expenditures

**Table 2.—Social security and total Federal receipts, expenditures, and public debt, by specified period, 1936–43**  
(In millions)

| Period                  | General and special accounts   |                                    |   |             |   |   |  |                                     |  |           |   | Trust accounts, etc., <sup>1</sup> excess receipts (+) or expenditures (–) | Change in general fund balance | Public debt |  |                         |                             |           |
|-------------------------|--------------------------------|------------------------------------|---|-------------|---|---|--|-------------------------------------|--|-----------|---|--|--------------------------------|-------------|--|-------------------------|-----------------------------|-----------|
|                         | Receipts of Federal Government |                                    |   |             | Expenditures <sup>2</sup> of Federal Government |   |  |                                     |  |           |   |  |                                | Total       | Old-age and survivors insurance trust fund | Unemployment trust fund | Railroad retirement account | All other |
|                         | Total <sup>1</sup>             | Social security taxes <sup>3</sup> | Railroad retirement and unemployment taxes <sup>3</sup> | All other   | Total <sup>1</sup>                              | Under the Social Security Act                               |  | Under the Railroad Retirement Board |  | All other | Excess receipts (+) or expenditures (–) |  |                                |             |  |                         |                             |           |
|                         |                                |                                    |   |             |   | Admini- strative expenses and grants to States <sup>4</sup> | Net appropri- ations and transfers to old-age and survivors insurance trust fund | Admini- strative ex- penses         | Trans- fers to rail- road retire- ment ac- count |           |   |  |                                |             |  |                         |                             |           |
| <b>Fiscal year:</b>     |                                |                                    |   |             |   |   |  |                                     |  |           |   |  |                                |             |  |                         |                             |           |
| 1936–37.....            | \$5,294                        | \$252                              | (7)   | \$5,042     | \$8,442   | \$183   | \$265  | \$1                                 |  | \$7,993   | –\$3,149                                | +\$374   | –\$128                         | \$36,425    | \$267                                      | \$312                   |                             | \$35,846  |
| 1937–38.....            | 6,242                          | 604                                |   | \$150 5,488 | 7,626   | 291   | 387  | 3                                   | \$146  | 6,799     | –1,384                                  | +306   | –338                           | 37,165      | 662  | 872                     | \$66                        | 35,565    |
| 1938–39.....            | 5,668                          | 631                                |   | 109 4,928   | 9,210   | 342   | 503  | 3                                   | 107  | 8,255     | –3,542                                  | +890   | +622                           | 40,440      | 1,177                                      | 1,267                   | 67                          | 37,929    |
| 1939–40.....            | 5,925                          | 712                                |   | 126 5,087   | 9,537   | 379   | 539  | 8                                   | 121  | 8,490     | –3,612                                  | +137   | –947                           | 42,968      | 1,738                                      | 1,710                   | 79                          | 39,441    |
| 1940–41.....            | 8,269                          | 788                                |   | 144 7,337   | 13,372  | 447   | 661  | 7                                   | 124  | 12,133    | –5,103                                  | –148   | +742                           | 48,961      | 2,381                                      | 2,273                   | 74                          | 44,233    |
| 1941–42.....            | 13,668                         | 1,016                              |   | 178 12,474  | 33,265  | 501   | 869  | 10                                  | 141  | 31,744    | –19,598                                 | –3,506   | +358                           | 72,422      | 3,202                                      | 3,139                   | 92                          | 65,989    |
| <b>11 months ended:</b> |                                |                                    |   |             |   |   |  |                                     |  |           |   |  |                                |             |  |                         |                             |           |
| May 1941.....           | 6,991                          | 784                                |   | 116 6,091   | 11,842  | 430   | 660  | 6                                   | 124  | 10,622    | –4,851                                  | +111   | +14                            | 47,721      | 2,146                                      | 2,254                   | 84                          | 43,237    |
| May 1942.....           | 11,174                         | 1,011                              |   | 141 10,022  | 28,734  | 490   | 867  | 9                                   | 141  | 27,227    | –17,560                                 | –1,870   | +179                           | 68,571      | 2,927                                      | 3,106                   | 102                         | 62,436    |
| May 1943.....           | 18,816                         | 1,283                              |   | 168 17,365  | 70,955  | 489   | 1,103  | 7                                   | 215  | 69,141    | –52,139                                 | –1,655   | +9,696                         | 135,913     | 3,880                                      | 4,285                   | 189                         | 127,539   |
| <b>1942</b>             |                                |                                    |   |             |   |   |  |                                     |  |           |   |  |                                |             |  |                         |                             |           |
| May.....                | 764                            | 213                                |   | 9 542       | 4,155   | 53  | 201  | 1                                   |  | 3,900     | –3,391                                  | –257   | –39                            | 68,571      | 2,927                                      | 3,106                   | 102                         | 62,436    |
| June.....               | 2,494                          | 5                                  |   | 37 2,452    | 4,531   | 11  | 1  | 1                                   |  | 4,518     | –2,037                                  | –1,635   | +179                           | 72,422      | 3,202                                      | 3,139                   | 92                          | 65,989    |
| July.....               | 794                            | 52                                 |   | 1 741       | 5,208   | 79  | 47   | 1                                   | 113  | 4,968     | –4,413                                  | –4   | +296                           | 77,136      | 3,192                                      | 3,162                   | 195                         | 70,587    |
| August.....             | 797                            | 220                                |   | 12 565      | 5,425   | 41  | 209  | 1                                   |  | 5,174     | –4,628                                  | –54  | –134                           | 81,685      | 3,197                                      | 3,352                   | 184                         | 74,952    |
| September.....          | 2,528                          | 4                                  |   | 39 2,485    | 5,932   | 21  | 1  | 1                                   |  | 5,909     | –3,404                                  | –245   | +1,148                         | 86,483      | 3,415                                      | 3,359                   | 173                         | 79,536    |
| October.....            | 648                            | 47                                 |   | 1 600       | 5,979   | 63  | 41   | 1                                   | 34   | 5,840     | –5,331                                  | –496   | +594                           | 92,904      | 3,403                                      | 3,397                   | 196                         | 85,908    |
| November.....           | 830                            | 240                                |   | 8 582       | 6,591   | 39  | 229  | 1                                   |  | 6,322     | –5,761                                  | +736   | –1,814                         | 96,116      | 3,393                                      | 3,588                   | 185                         | 88,950    |
| December.....           | 2,702                          | 4                                  |   | 45 2,653    | 6,501   | 33  | 1  | 1                                   |  | 6,465     | –3,799                                  | –794   | +7,461                         | 108,170     | 3,655                                      | 3,687                   | 174                         | 100,654   |
| <b>1943</b>             |                                |                                    |   |             |   |   |  |                                     |  |           |   |  |                                |             |  |                         |                             |           |
| January.....            | 824                            | 51                                 |   | 1 772       | 6,408   | 56  | 35   | 1                                   | 34   | 6,282     | –5,584                                  | –135   | –2,819                         | 111,069     | 3,645                                      | 3,717                   | 197                         | 103,510   |
| February.....           | 1,190                          | 336                                |   | 8 846       | 6,354   | 25  | 235  | 1                                   |  | 6,093     | –5,164                                  | –122   | –2,331                         | 114,024     | 3,632                                      | 3,970                   | 187                         | 106,235   |
| March.....              | 5,207                          | 6                                  |   | 44 5,157    | 7,355   | 37  | 1  | 1                                   |  | 7,316     | –2,147                                  | –549   | –1,213                         | 115,507     | 3,893                                      | 3,992                   | 176                         | 107,446   |
| April.....              | 1,555                          | 47                                 |   | 3 1,505     | 7,507   | 59  | 41   | 1                                   | 35   | 7,371     | –5,952                                  | +48  | +8,438                         | 129,849     | 3,880                                      | 4,016                   | 200                         | 121,753   |
| May.....                | 1,742                          | 276                                |   | 6 1,460     | 7,697   | 37  | 262  | (7)                                 |  | 7,398     | –5,955                                  | –39  | +70                            | 135,913     | 3,880                                      | 4,285                   | 189                         | 127,539   |

<sup>1</sup> Beginning July 1940, Treasury reports of net receipts and expenditures of general and special accounts exclude appropriations to old-age and survivors insurance trust fund minus reimbursements to Treasury for administrative expenses; such net appropriations are included in this table for comparison with previous periods.

<sup>2</sup> Represents collections under Federal Insurance Contributions Act and Federal Unemployment Tax Act.

<sup>3</sup> Represents total collections under Carriers Taxing Act and 10 percent of collections under Railroad Unemployment Insurance Act (see table 3, footnote 5).

<sup>4</sup> Checks cashed and returned to Treasury. Excludes public-debt retirement.

<sup>5</sup> Excludes funds for vocational rehabilitation program of Office of Education and for disease and sanitation investigations of Public Health Service

(see table 4, footnote 1); prior to Jan. 1, 1942, excludes grants to States for employment service administration under Wagner-Peyser Act. Such grants are included in "all other"; from Jan. 1 through Nov. 30, 1942, includes Federal expenditures for operation of employment services in the States. Also excludes administrative expenses incurred by Treasury prior to July 1940 in administration of title II of Social Security Act and Federal Insurance Contributions Act. Includes administrative expenses under Wagner-Peyser Act, July 1940–December 1941.

<sup>6</sup> Includes all trust accounts, increment resulting from reduction in weight of gold dollar, expenditures chargeable against increment on gold (other than retirement of national bank notes), and receipts from seigniorage.

<sup>7</sup> Less than \$500,000.

Source: Daily Statement of the U. S. Treasury.

**Table 3.—Social insurance taxes under selected programs, by specified period, 1936-43**

(In thousands)

| Period                           | Old-age and survivors insurance              |  | Unemployment insurance                        |   |  |
|----------------------------------|--|--|---|---|--|
|                                  | Federal insurance contributions <sup>1</sup> | Taxes on carriers and their employees <sup>2</sup> | State unemployment contributions <sup>3</sup> | Federal unemployment taxes <sup>4</sup> | Railroad unemployment insurance contributions <sup>5</sup> |
| Cumulative through May 1943..... | \$4,557,704                                  | \$847,831  | \$5,882,394                                   | \$729,107                               | \$278,913  |
| Fiscal year:                     |  |  |   |   |  |
| 1936-37.....                     | 194,346                                      | 345  | (?)   | \$ 57,751                               | .....  |
| 1937-38.....                     | 514,406                                      | 150,132  | (?)   | \$ 90,104                               | .....  |
| 1938-39.....                     | 530,358                                      | 109,257  | 803,007                                       | 100,869                                 | .....  |
| 1939-40.....                     | 604,694                                      | 120,967  | 853,955                                       | 107,523                                 | 49,167   |
| 1940-41.....                     | 690,555                                      | 136,942  | 888,450                                       | 97,677                                  | 68,162   |
| 1941-42.....                     | 895,619                                      | 170,012  | 1,093,901                                     | 119,944                                 | 84,738   |
| 11 months ended:                 |  |  |   |   |  |
| May 1941.....                    | 687,269                                      | 110,823  | 879,946                                       | 96,897                                  | 51,856   |
| May 1942.....                    | 891,872                                      | 134,987  | 1,087,946                                     | 118,992                                 | 62,893   |
| May 1943.....                    | 1,127,727                                    | 160,177  | 1,206,617                                     | 155,239                                 | 76,846   |
| 1942                             |  |  |   |   |  |
| May.....                         | 203,740                                      | 9,023  | 143,747                                       | 9,302                                   | 684  |
| June.....                        | 3,747  | 35,025   | 5,955   | 952                                     | 21,845   |
| July.....                        | 49,371                                       | 977  | 136,883                                       | 2,842                                   | 87   |
| August.....                      | 211,685                                      | 11,455   | 132,780                                       | 8,452                                   | 1,600  |
| September.....                   | 3,435  | 36,491   | 6,291   | 882                                     | 22,448   |
| October.....                     | 43,949                                       | 1,126  | 143,232                                       | 2,619                                   | 106  |
| November.....                    | 231,075                                      | 8,183  | 153,166                                       | 8,689                                   | 940  |
| December.....                    | 3,517  | 42,848   | 12,249  | 950                                     | 24,566   |
| 1943                             |  |  |   |   |  |
| January.....                     | 37,117                                       | 1,075  | 128,366                                       | 13,006                                  | 64   |
| February.....                    | 236,743                                      | 7,387  | 173,586                                       | 99,042                                  | 1,271  |
| March.....                       | 2,858  | 41,766   | 4,485   | 3,243                                   | 25,201   |
| April.....                       | 43,407                                       | 2,971  | 147,548                                       | 3,260                                   | 94   |
| May.....                         | 264,568                                      | 5,897  | 168,031                                       | 11,653                                  | 470  |

<sup>1</sup> Tax effective Jan. 1, 1937, payable by employers and employees.

<sup>2</sup> Federal tax effective Mar. 1, 1936, payable by carriers and employees.

<sup>3</sup> Represents contributions plus penalties and interest collected from employers and contributions from employees, deposited in State clearing accounts. Data include contributions based on wages from railroad industry prior to July 1, 1939. Data reported by State agencies, corrected to June 23, 1942.

<sup>4</sup> Tax effective Jan. 1, 1936, payable by employers only. Amounts paid into State unemployment funds are not included.

<sup>5</sup> Tax effective July 1, 1939, payable by employers only. Computed from data in *Daily Statement of the U. S. Treasury*. Amounts differ from figures in table 2, which represent only the 10 percent deposited in general and special accounts of the Treasury.

<sup>6</sup> Includes \$40,561,886 subsequently refunded to States which did not collect taxes on 1936 pay rolls and in which employers paid full tax to the Federal Government.

<sup>7</sup> Not available.

in May (table 2). The corresponding percentage for May 1942 was 6.1 percent.

Administrative expenditures and grants to States under the Social Security Act for the fiscal year 1942-43 through May amounted to \$489 million (table 4). This amount represented 90 percent of the fiscal-year appropriations, exclusive of unexpended balances carried over from the previous fiscal year. Expenditures exceeded 1942-43 appropriations for grants for child welfare services; the excess was financed from the unexpended appropriations of previous fiscal years. At the end of May, administrative expenditures, other than those of the Treasury Department, amounted to 88 percent of appropriations for that purpose.

Total Federal expenditures during May amounted to \$7,697 million, 85 percent more than in May 1942 (table 2). Total expenditures, including those from trust accounts, exceeded total receipts by \$5,994 million and were accompanied by a rise of \$6,064 million in the public debt and an increase of \$70 million in the general fund balance.

The computed average rate of interest on the interest-bearing public debt, continuing its decline,

**Table 4.—Federal appropriations and expenditures for administrative expenses and grants to States under the Social Security Act, by specified period, 1941-43<sup>1</sup>**

(In thousands)

| Item  | Fiscal year 1941-42         |                                       | Fiscal year 1942-43         |                                       |
|---|-----------------------------|---------------------------------------|-----------------------------|---------------------------------------|
|   | Appropriations <sup>2</sup> | Expenditures through May <sup>3</sup> | Appropriations <sup>2</sup> | Expenditures through May <sup>3</sup> |
| Total.....  | \$503,829                   | \$489,844                             | \$544,688                   | \$489,085                             |
| Administrative expenses.....                                      | 26,129                      | 28,961                                | 27,128                      | 30,292                                |
| Federal Security Agency, Social Security Board <sup>4</sup> ..... | 25,655                      | 22,806                                | 26,642                      | 23,269                                |
| Department of Labor, Children's Bureau.....                       | 364                         | 334                                   | 376                         | 331                                   |
| Department of Commerce, Bureau of the Census.....                 | 110                         | 102                                   | 110                         | 396                                   |
| Department of the Treasury <sup>5</sup> .....                     | ( <sup>6</sup> )            | 5,719                                 | ( <sup>6</sup> )            | 6,297                                 |
| Grants to States.....   | 477,700                     | 460,883                               | 517,600                     | 458,793                               |
| Federal Security Agency.....                                      | 466,500                     | 449,581                               | 506,360                     | 447,967                               |
| Social Security Board.....  | 455,500                     | 438,205                               | 495,360                     | 437,354                               |
| Old-age assistance.....   | 300,000                     | 294,734                               | 329,000                     | 307,343                               |
| Aid to dependent children.....                                    | 74,000                      | 68,551                                | 78,000                      | 66,678                                |
| Aid to the blind.....   | 9,000                       | 7,862                                 | 8,710                       | 8,348                                 |
| Unemployment compensation administration.....                     | 72,500                      | 67,057                                | 79,650                      | 74,984                                |
| Public Health Service:  |                             |                                       |                             |                                       |
| Public health work.....   | 11,000                      | 11,376                                | 11,000                      | 10,613                                |
| Department of Labor, Children's Bureau.....                       | 11,200                      | 11,302                                | 11,200                      | 10,826                                |
| Maternal and child health services.....                           | 5,820                       | 5,882                                 | 5,820                       | 5,714                                 |
| Services for crippled children.....                               | 3,870                       | 3,862                                 | 3,870                       | 3,550                                 |
| Child welfare services.....                                       | 1,510                       | 1,558                                 | 1,510                       | 1,561                                 |

<sup>1</sup> Excludes some funds appropriated and expended under the Social Security Act, because they are not separated from other Federal funds for similar purposes. Such is the case with funds for vocational rehabilitation for which \$112,000 was appropriated for 1941-42 and \$95,130 for 1942-43 for administration in the Office of Education, and \$2,650,000 for 1941-42 and \$2,800,000 for 1942-43 for grants to States. For disease and sanitation investigations of the Public Health Service, appropriations were \$1,742,481 for 1941-42 and \$1,419,680 for 1942-43 in addition to grants to States shown in this table.

<sup>2</sup> Excludes unexpended balance of appropriations for previous fiscal year. Appropriations for 1941-42 include additional appropriation of \$40,000,000 approved Apr. 28, 1942.

<sup>3</sup> Based on checks cashed and returned to the Treasury. Includes expenditures from reappropriated balance of appropriations for previous fiscal year.

<sup>4</sup> Includes amounts expended by the Board in administration of title II of the act, reimbursed to general fund of the Treasury. Includes amounts for administration of the Wagner-Peyser Act prior to Jan. 1, 1942. See footnote 7.

<sup>5</sup> Represents amounts expended by the Treasury in administration of title II of the Social Security Act and the Federal Insurance Contributions Act, reimbursed to general fund of the Treasury.

<sup>6</sup> Not available.

<sup>7</sup> Prior to Jan. 1, 1942, includes grants certified by the Social Security Board to States for employment service administration to meet requirements of unemployment compensation program, and excludes grants to States for employment service administration under the Wagner-Peyser Act. From Jan. 1 through Nov. 30, 1942, includes Federal expenditures for operation of employment services in the States.

Source: Various Federal appropriation acts (appropriations); *Daily Statement of the U. S. Treasury* (expenditures).

was 1.992 percent at the end of May. Special obligations issued to the social security trust funds in June, therefore, were required to bear a rate of interest of 1½ percent, as in the preceding month.

#### Old-Age and Survivors Insurance Trust Fund.

During May 1943, the Board of Trustees of the Federal old-age and survivors insurance trust fund instituted a change in certain financial procedures of the fund. Since January 1, 1940, it had been the policy to meet benefit payments by redeeming obligations held by the fund. Incoming appropriations of contributions were concurrently invested in market issues or in special obligations with rates of interest determined by the average rate on the entire interest-bearing public debt. Under the new procedure, benefits will be paid from taxes currently collected and appropriated to the fund and only the remaining balance of current appropriations will be invested in accordance with the practice heretofore followed. Thus, during May, no securities were redeemed nor were any new securities acquired

(table 5). Investments held by the fund remained at \$3,880 million, with an average interest rate of 2.403 percent. As of the end of May, 3-percent notes held by the fund amounted to \$378 million, bearing a maturity date of June 30, 1943.

Benefit payments under the old-age and survivors insurance program rose in May to \$13.7 million as compared with \$10.7 million in May 1942. Total assets of the fund reached more than \$4 billion for the first time.

#### Railroad Retirement Account

Since the entire congressional appropriation for the fiscal year had already been transferred to the railroad retirement account for benefit payments and investment, it was necessary to redeem \$11.0 million in Treasury notes to meet benefit payments in May (table 6). Part of the \$292,000 interest on investments still outstanding was used to pay benefits; the remainder was divided between the appropriation account and that of the disbursing officer. Assets at the end of May stood at \$202 million. Of this amount, \$189

Table 5.—Status of the old-age and survivors insurance trust fund, by specified period, 1936-43

(In thousands)

| Period                           | Receipts  |                                | Expenditures                  |   | Assets  |   |  |                               |
|----------------------------------|---|--------------------------------|-------------------------------|---|---|---|--|-------------------------------|
|                                  | Transfers and appropriations to trust fund <sup>1</sup> | Interest received <sup>2</sup> | Benefit payments <sup>3</sup> | Reimbursement for administrative expenses | Net total of Treasury notes and bonds acquired <sup>4</sup> | Cash with disbursing officer at end of period | Credit of fund account at end of period <sup>5</sup> | Total assets at end of period |
| Cumulative through May 1943..... | \$4,416,486   | \$217,575                      | \$345,146                     | \$90,820                                  | * \$3,880,034   | \$24,509                                      | \$293,552  | \$4,198,096                   |
| Fiscal year:                     |   |                                |                               |   |   |   |  |                               |
| 1936-37.....                     | 265,000   | 2,262                          | 27                            | -----                                     | 267,100   | 73  | 62   | 267,235                       |
| 1937-38.....                     | 387,000   | 15,412                         | 5,404                         | -----                                     | 395,200   | 1,931   | 113,012  | 777,243                       |
| 1938-39.....                     | 503,000   | 26,951                         | 13,892                        | -----                                     | 514,900   | 3,036   | 66   | 1,180,302                     |
| 1939-40.....                     | 550,000   | 42,489                         | 15,805                        | 12,288                                    | 590,900   | 6,098   | 500  | 1,744,696                     |
| 1940-41.....                     | 686,141   | 55,958                         | 64,342                        | 26,840                                    | 642,500   | 10,778  | 6,238  | 2,397,615                     |
| 1941-42.....                     | 895,619   | 71,007                         | 110,281                       | 26,766                                    | 821,034   | 20,384  | 5,176  | 3,227,194                     |
| 11 months ended:                 |   |                                |                               |   |   |   |  |                               |
| May 1941.....                    | 684,855   | 1,243                          | 57,207                        | 24,637                                    | 408,200   | 13,527  | 189,126  | 2,348,933                     |
| May 1942.....                    | 891,872   | 1,889                          | 99,466                        | 24,397                                    | 546,734   | 16,210  | 223,969  | 3,167,514                     |
| May 1943.....                    | 1,127,727   | 3,496                          | 135,395                       | 24,926                                    | * 678,400   | 24,509  | 293,552  | 4,198,096                     |
| 1942                             |   |                                |                               |   |   |   |  |                               |
| May.....                         | 203,740   | 261                            | 10,715                        | 2,369                                     | 14,000  | 16,210  | 223,969  | 3,167,514                     |
| June.....                        | 3,747   | 69,118                         | 10,815                        | 2,369                                     | 274,300   | 20,384  | 5,176  | 3,227,194                     |
| July.....                        | 49,371  | 18                             | 10,989                        | 2,262                                     | -10,000   | 19,389  | 52,309   | 3,263,332                     |
| August.....                      | 211,685   | 79                             | 11,024                        | 2,262                                     | * 5,161   | 28,359  | 236,657  | 3,461,911                     |
| September.....                   | 3,436   | 690                            | 11,758                        | 2,262                                     | 218,300   | 31,463  | 5,358  | 3,451,915                     |
| October.....                     | 43,949  | 100                            | 11,924                        | 2,526                                     | -12,000   | 31,487  | 46,932   | 3,481,514                     |
| November.....                    | 231,075   | 115                            | 11,882                        | 2,526                                     | -10,000   | 29,480  | 275,720  | 3,698,296                     |
| December.....                    | 3,617   | 836                            | 12,012                        | 2,526                                     | 262,339   | 27,382  | 5,294  | 3,688,110                     |
| 1943                             |   |                                |                               |   |   |   |  |                               |
| January.....                     | 37,117  | 164                            | 12,386                        | 1,809                                     | -10,000   | 24,967  | 40,775   | 3,711,197                     |
| February.....                    | 236,743   | 244                            | 12,548                        | 1,809                                     | -13,000   | 25,434  | 275,958  | 3,933,827                     |
| March.....                       | * 2,858   | 946                            | 13,605                        | 1,809                                     | 260,600   | 24,793  | 4,389  | 3,922,216                     |
| April.....                       | 43,407  | 306                            | 13,547                        | 2,566                                     | -13,000   | 24,238  | 45,543   | 3,949,815                     |
| May.....                         | 264,568   | -----                          | 13,721                        | 2,566                                     | -----   | 24,509  | 293,552  | 4,198,096                     |

<sup>1</sup> Beginning July 1940, trust fund appropriations equal taxes collected under the Federal Insurance Contributions Act.

<sup>2</sup> Interest on investments held is credited annually in June; on investments redeemed, in month of redemption.

<sup>3</sup> Based on checks cashed and returned to the Treasury.

<sup>4</sup> Minus figures represent net total of notes redeemed.

<sup>5</sup> Prior to July 1940, includes balance of appropriation available for transfer.

\* Includes \$161,000 accrued interest paid on investments.

Source: Daily Statement of the U. S. Treasury.



Table 6.—Status of the railroad retirement account, by specified period, 1938-43

[In thousands]

| Period                           | Receipts            |                   |           | Transfers from appropriation to trust fund | Benefit payments <sup>1</sup> | Assets at end of period          |   |                                 |           |
|----------------------------------|---------------------|-------------------|-----------|--|-------------------------------|----------------------------------|---|---------------------------------|-----------|
|                                  | Amount appropriated | Interest received | Total     |  |                               | 3-percent special Treasury notes | To credit of appropriation <sup>2</sup> | To credit of disbursing officer | Total     |
| Cumulative through May 1943..... | \$854,151           | \$13,232          | \$867,383 | \$854,151                                  | \$665,529                     | \$189,000                        | \$302                                   | \$12,552                        | \$201,854 |
| Fiscal year:                     |                     |                   |           |  |                               |                                  |   |                                 |           |
| Through June 1938.....           | 146,800             | 1,411             | 147,911   | 146,406                                    | 79,840                        | 66,200                           | 234                                     | 1,628                           | 68,062    |
| 1938-39.....                     | 118,250             | 2,202             | 120,452   | 107,094                                    | 105,774                       | 67,200                           | 13,206                                  | 2,334                           | 82,740    |
| 1939-40.....                     | 120,150             | 2,283             | 122,433   | 120,650                                    | 113,099                       | 79,400                           | 10,847                                  | 1,826                           | 92,073    |
| 1940-41.....                     | 113,600             | 2,534             | 116,134   | 124,350                                    | 121,174                       | 74,000                           | 2,503                                   | 10,580                          | 87,033    |
| 1941-42.....                     | 140,850             | 3,143             | 143,993   | 140,850                                    | 126,244                       | 91,500                           | 1,597                                   | 11,686                          | 104,782   |
| 1942-43 (through May).....       | 214,801             | 1,660             | 216,461   | 214,801                                    | 119,389                       | 189,000                          | 302                                     | 12,552                          | 201,854   |
| 1942                             |                     |                   |           |  |                               |                                  |   |                                 |           |
| May.....                         |                     | 259               | 259       | 0  | 10,393                        | 101,500                          | 264                                     | 12,186                          | 113,950   |
| June.....                        |                     | 1,591             | 1,591     | 0  | 10,759                        | 91,500                           | 1,397                                   | 11,686                          | 104,782   |
| July.....                        | 214,801             | 14                | 214,815   | 112,601                                    | 10,820                        | 195,000                          | 102,239                                 | 11,540                          | 308,777   |
| August.....                      |                     | 46                | 46        | 0  | 10,721                        | 184,000                          | 113,289                                 | 813                             | 296,102   |
| September.....                   |                     | 73                | 73        | 0  | 10,718                        | 173,000                          | 102,328                                 | 12,180                          | 287,458   |
| October.....                     |                     | 92                | 92        | 33,500                                     | 10,805                        | 196,000                          | 68,851                                  | 11,895                          | 276,745   |
| November.....                    |                     | 129               | 129       | 0  | 10,703                        | 185,000                          | 68,850                                  | 12,322                          | 266,172   |
| December.....                    |                     | 157               | 157       | 0  | 10,763                        | 174,000                          | 68,898                                  | 12,667                          | 255,566   |
| 1943                             |                     |                   |           |  |                               |                                  |   |                                 |           |
| January.....                     |                     | 184               | 184       | 34,000                                     | 10,816                        | 197,000                          | 34,890                                  | 13,044                          | 244,934   |
| February.....                    |                     | 193               | 193       | 0  | 10,837                        | 187,000                          | 34,900                                  | 12,391                          | 234,291   |
| March.....                       |                     | 238               | 238       | 0  | 11,089                        | 176,000                          | 34,944                                  | 12,495                          | 223,440   |
| April.....                       |                     | 241               | 241       | 34,700                                     | 11,073                        | 200,000                          | 248                                     | 12,360                          | 212,607   |
| May.....                         |                     | 292               | 292       | 0  | 11,045                        | 189,000                          | 302                                     | 12,552                          | 201,854   |

<sup>1</sup> Based on checks cashed and returned to Treasury.<sup>2</sup> Represents balances in appropriation and trust fund accounts, including net credit from adjustments such as cancellations and repayments.<sup>3</sup> Appropriation reduced by transfer of \$9 million in October 1940 to prior-

service account for collection of service and compensation data of railroad workers prior to 1937.

Source: Daily Statement of the U. S. Treasury.

Table 7.—Status of the unemployment trust fund, by specified period, 1936-43<sup>1</sup>

[In thousands]

| Period                           | Total assets at end of period | Net total of Treasury certificates and bonds acquired | Unexpended balance at end of period | Undistributed interest at end of period <sup>2</sup> | State accounts |                   |                          |                          | Railroad unemployment insurance account |                   |                  |                                       |
|----------------------------------|-------------------------------|---|-------------------------------------|--|----------------|-------------------|--------------------------|--------------------------|---|-------------------|------------------|---------------------------------------|
|                                  |                               |   |                                     |  | Deposits       | Interest credited | Withdrawals <sup>3</sup> | Balance at end of period | Deposits                                | Interest credited | Benefit payments | Balance at end of period <sup>4</sup> |
| Cumulative through May 1943..... | \$4,298,319                   | \$4,285,021   | \$13,299                            | -----  | \$5,022,187    | \$225,052         | \$2,191,893              | \$3,955,346              | \$251,026                               | \$11,858          | \$43,195         | \$342,970                             |
| Fiscal year:                     |                               |   |                                     |  |                |                   |                          |                          |   |                   |                  |                                       |
| 1936-37.....                     | 312,389                       | 293,386   | 94                                  | -----  | 291,703        | 2,737             | 1,000                    | 312,389                  | -----                                   | -----             | -----            | -----                                 |
| 1937-38.....                     | 884,247                       | 559,705   | 12,247                              | -----  | 747,690        | 15,172            | 190,975                  | 884,247                  | -----                                   | -----             | -----            | -----                                 |
| 1938-39.....                     | 1,280,539                     | 395,000   | 13,539                              | -----  | 811,251        | 26,837            | 441,795                  | 1,280,539                | -----                                   | -----             | -----            | -----                                 |
| 1939-40.....                     | 1,724,862                     | 443,000   | 14,862                              | -----  | 859,864        | 37,524            | 484,764                  | 1,693,164                | 44,249                                  | 202               | 14,532           | 31,699                                |
| 1940-41.....                     | 2,283,658                     | 563,000   | 10,658                              | -----  | 892,023        | 45,893            | 537,343                  | 2,093,737                | 61,347                                  | 3,059             | 17,784           | 189,921                               |
| 1941-42.....                     | 3,150,103                     | 866,000   | 11,103                              | -----  | 1,095,991      | 61,998            | 368,070                  | 2,883,654                | 76,266                                  | 5,424             | 9,072            | 266,447                               |
| 11 months ended:                 |                               |   |                                     |  |                |                   |                          |                          |   |                   |                  |                                       |
| May 1941.....                    | 2,263,477                     | 544,300   | 9,177                               | \$106  | 881,922        | 21,696            | 507,174                  | 2,089,607                | 46,673                                  | 1,023             | 17,280           | 173,764                               |
| May 1942.....                    | 3,115,015                     | 833,000   | 9,015                               | 137  | 1,087,408      | 28,880            | 339,280                  | 2,870,744                | 56,605                                  | 2,526             | 8,829            | 244,131                               |
| May 1943.....                    | 4,298,319                     | 1,146,021   | 13,299                              | -----  | 1,204,838      | 34,800            | 167,946                  | 3,955,346                | 69,164                                  | 3,174             | 1,787            | 342,970                               |
| 1942                             |                               |   |                                     |  |                |                   |                          |                          |   |                   |                  |                                       |
| May.....                         | 3,115,015                     | 192,000   | 9,015                               | 137  | 219,232        | -----             | 32,700                   | 2,870,744                | 616                                     | -----             | 549              | 244,131                               |
| June.....                        | 3,150,103                     | 33,000  | 11,103                              | -----  | 8,582          | 33,118            | 28,790                   | 2,883,654                | 19,661                                  | 2,898             | 243              | 266,447                               |
| July.....                        | 3,170,833                     | 23,000  | 8,833                               | 6  | 51,883         | -----             | 31,050                   | 2,904,487                | 78                                      | -----             | 187              | 266,338                               |
| August.....                      | 3,364,170                     | 190,159   | 12,010                              | 6  | 215,907        | -----             | 29,798                   | 3,090,596                | 1,440                                   | -----             | 185              | 273,566                               |
| September.....                   | 3,370,417                     | 7,000   | 11,258                              | -----  | 8,720          | 46                | 22,519                   | 3,076,843                | 20,203                                  | 10                | 207              | 293,572                               |
| October.....                     | 3,404,682                     | 38,000  | 7,523                               | 20   | 49,813         | -----             | 15,466                   | 3,111,190                | 95                                      | -----             | 197              | 293,470                               |
| November.....                    | 3,635,512                     | 191,000   | 47,353                              | 20   | 241,689        | -----             | 11,548                   | 3,341,331                | 846                                     | -----             | 158              | 294,158                               |
| December.....                    | 3,698,008                     | 98,841  | 11,008                              | -----  | 12,929         | 34,754            | 10,300                   | 3,378,714                | 22,110                                  | 3,164             | 141              | 319,291                               |
| 1943                             |                               |   |                                     |  |                |                   |                          |                          |   |                   |                  |                                       |
| January.....                     | 3,726,317                     | 30,000  | 9,317                               | -----  | 39,972         | -----             | 11,530                   | 3,407,156                | 57                                      | -----             | 190              | 319,158                               |
| February.....                    | 3,977,252                     | 253,000   | 7,252                               | -----  | 261,206        | -----             | 11,243                   | 3,657,119                | 1,144                                   | -----             | 173              | 320,129                               |
| March.....                       | 4,000,027                     | 22,000  | 8,027                               | -----  | 11,209         | -----             | 10,955                   | 3,657,373                | 22,681                                  | -----             | 160              | 342,650                               |
| April.....                       | 4,027,054                     | 24,021  | 11,033                              | -----  | 34,839         | -----             | 7,780                    | 3,684,432                | 86                                      | -----             | 118              | 342,618                               |
| May.....                         | 4,298,319                     | 269,000   | 13,299                              | -----  | 276,672        | -----             | 5,758                    | 3,955,346                | 423                                     | -----             | 71               | 342,970                               |

<sup>1</sup> Beginning July 1939, contains separate book account for railroad unemployment insurance, in which are held moneys deposited by the Railroad Retirement Board and from which the Secretary of the Treasury makes benefit payments as certified by the Railroad Retirement Board. Contains also separate account for each State agency, in which are held all moneys deposited from State unemployment funds and from which State agencies withdraw amounts as required for benefit payments.

<sup>2</sup> Interest on redeemed Treasury certificates, received by fund at time of redemption but credited to separate accounts in last month of each quarter.

<sup>3</sup> Includes transfers from State accounts to railroad unemployment insurance account amounting to \$105,901,000.

<sup>4</sup> Includes transfers from railroad unemployment insurance administration fund amounting to \$17,382,967.

<sup>5</sup> Includes \$159,000 accrued interest paid on investments.

<sup>6</sup> Includes \$20,604 accrued interest paid on investments.

Source: Daily Statement of the U. S. Treasury.

million had been invested in Treasury notes at 3-percent interest, and the balance remained credited to the disbursing officer and the appropriation account.

#### ***Unemployment Trust Fund***

State deposits in the unemployment trust fund in May totaled \$277 million (table 7). The April and May deposits combined totaled \$312 million, 3.4 percent more than January-February deposits. Withdrawals for benefit payments reached a new low of \$5.8 million, less than one-

fifth the amount of withdrawals in May 1942. The low level of withdrawals was all the more striking since new benefit years began in several States in April. Disbursements for railroad unemployment benefits also continued to decline.

New investments acquired by the fund during May totaled \$269 million and consisted entirely of special certificates, bearing interest at 1½ percent, the lowest rate at which special obligations have been issued to the fund. Total investments held on May 31 amounted to \$4,285 million, and their average rate of interest was 2.199 percent.

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## WAR AND SOCIAL SERVICES

CLARK, JOHN M. "Curtain-Raiser in Rehabilitation." *Survey Graphic*, New York, Vol. 32, No. 6 (June 1943), pp. 245-249 ff.

The relief and reconstruction program in the Ecuadorian province of El Oro, recently the scene of fighting in the war between Ecuador and Peru. Native authorities and the Office of the Coordinator of Inter-American Affairs are conducting the work jointly.

"Economic Mobilisation and Man-Power Problems in Brasil." *International Labour Review*, Montreal, Vol. 47, No. 6 (June 1943), pp. 721-730.

LENROOT, KATHARINE F. "National Programs of Child Care in a World at War." *California Children*, Sacramento, Vol. 6, No. 1 (March 15, 1943), pp. 1-11. Processed.

McBEE, MARIAN. "Selective Service—Case Work Program of New York City." *The Compass*, New York, Vol. 24, No. 5 (June 1943), pp. 29-31.

PAULLIN, JAMES E. "The Planning of Medical Service for Present Needs and Future Requirements: President's Address." *Journal of the American Medical Association*, Chicago, Vol. 122, No. 7 (June 12, 1943), pp. 411-414.

Calls attention to existing military and civilian emergency requirements and notes the need for planning by the AMA and other groups in order to provide "a carefully designed technic for the medical rehabilitation of a war sick people."

RICH, MARGARET E. "Services to Families in War Time." *The Federator*, Pittsburgh, Vol. 18, No. 5 (May 1943), pp. 119-125.

TAFT, CHARLES P. "Health and Welfare Services in War." *Occupations*, New York, Vol. 21, No. 8 (April 1943), pp. C34-C40.

UNITED NATIONS INFORMATION OFFICE. SECTION FOR INFORMATION ON STUDIES IN POSTWAR RECONSTRUCTION. *Research and Postwar Planning: Bibliography*. New York: The Office, 1942-1943. 8 parts. Processed.

An extensive bibliography on military, social, political, and related topics, classified under the headings War Period, Immediate Postwar Period, and Reconstruction Period.

UNITED NATIONS INFORMATION OFFICE. SECTION FOR INFORMATION ON STUDIES IN POSTWAR RECONSTRUCTION. *Research and Postwar Planning: List of Agencies*. New York: The Office, 1941-1943. 8 parts. Processed.

A descriptive directory of more than 100 governmental and nongovernmental agencies, their officers, activities, and publications.

*Bulletin*, July 1943

UTZ, CORNELIUS. "Social Case Work as Applied to Selective Service Problems." *The Compass*, New York, Vol. 24, No. 5 (June 1943), pp. 31-34.

## GENERAL

ASHLEY, C. A., Editor. *Reconstruction in Canada; Lectures Given in the University of Toronto*. Toronto: University of Toronto Press, 1943. 148 pp.

Contains 10 papers, including a plan for the Canadian social services, by S. K. Jaffary.

BURNS, EVELINE M. "Post-War Planning and the Role of Social Security." *Canadian Welfare*, Ottawa, Vol. 19, No. 2 (June 1, 1943), pp. 10-17.

A discussion of the Marsh, the Beveridge, and the NRPB reports.

CHASE, STUART. "When War Spending Stops." *Harper's Magazine*, New York, Vol. 187, No. 1,117 (June 1943), pp. 20-24.

Expanded social security programs, public works, and some continuation of present financial and price controls are among the recommendations for maintaining the national income and reasonably full employment.

DE SCHWEINITZ, KARL. *England's Road to Social Security; From the Statute of Laborers in 1349 to the Beveridge Report of 1942*. Philadelphia: University of Pennsylvania Press, 1943. 281 pp.

A history of 6 centuries of British public aid programs which deals chiefly with relief and assistance but also includes social insurance. The purpose of the work—which is directed primarily to social security administrators—is to "summarize . . . the most significant trends in the British development" from an "operative perspective" supplied by the author's career in public and private welfare administration and teaching. Although compact, it draws heavily on original sources and makes free use of quotations. Recent developments appear in the final chapters on social insurance, public assistance, the Assistance Board, and the Beveridge report. Developments on the European continent are somewhat briefly summarized.

GILL, EUGENE G., and NICHOLS, ADRIAN D. *Social Security; Facts You Should Know About Old-Age Pensions, Old-Age and Survivors Insurance, Unemployment Insurance, WPA and Other Social Security Measures*. St. Louis: Social-Economic Publishing Co., 1943. 123 pp.

A critical survey of existing programs under the Social Security Act, with recommendations that the insurance programs, including unemployment compensation, be eliminated and "that the Federal government appropriate a definite amount annually for social security to be apportioned to states and jurisdictions on the basis of population, or revenues collected directly and indirectly from



their peoples"; and that the Federal Government "clearly specify by whom and under what conditions" the benefits be paid. Also recommends "planned employment" on public works for the post-war period.

GILLIN, JOHN LEWIS; DITTMER, CLARENCE G.; COLBERT, ROY J.; and KASTLER, NORMAN M. *Social Problems*. 3d edition. New York, London: Appleton-Century, 1943. 528 pp. (Century Social Science Series.)

A college text which contains material on the Social Security Act.

HIRSCHFELD, GERHARD. "Go Slow on Social Security." *Best's Insurance News*, Fire and Casualty Edition, New York, Vol. 44, No. 1 (May 1943), pp. 23-25 ff.

Comment on the Beveridge and NRPB reports, with an estimate that the latter would cost \$15 billion annually and leave "small room and little attraction for private enterprise."

"Introduction of Social Insurance in Paraguay." *International Labour Review*, Montreal, Vol. 48, No. 6 (June 1943), pp. 785-786.

Summarizes a Legislative Decree of April 13, 1943, on the principles of organization of a general scheme of social insurance in Paraguay.

INTERNATIONAL LABOR OFFICE. *The Co-operative Movement in the Americas; An International Symposium*. Montreal: The Office, 1943. 59 pp.

Eleven papers from a series of international shortwave broadcasts to Latin America. Countries discussed include the United States, Canada, Argentina, Colombia, Mexico, and Peru.

JONES, ROBERT C. *Schools of Social Work in Latin America*. Washington: Pan American Union, Division of Labor and Social Information, 1943. 21 pp. Processed.

The development of schools of social work in Latin America with a description, classified by country, of some 30 schools or courses of instruction.

METALL, RUDOLF ALADAR. "Funções e Finalidades do Direito Internacional de Seguro Social." *Revista do Trabalho*, Rio de Janeiro, Vol. 11, No. 1 (January 1943), pp. 15-22.

A discussion of "international social insurance law," its potential fields of activity and methods of operation.

"Needs Economic Activity at High Level to Maintain the 'Beveridge Plans'." *Eastern Underwriter*, New York, Vol. 44, No. 23 (June 4, 1943), pp. 3 ff.

Excerpts from an address by Beaudry Leman, president and managing director of La Banque Canadienne Nationale.

OWEN, A. D. K., and KALDOR, NICHOLAS. "The Beveridge Report—I, Its Proposals; II, the Financial Burden." *Economic Journal*, London, Vol. 53, No. 209 (April 1943), pp. 2-27.

Both of these papers are favorable to the report. Mr. Owen urges that the concept of a national minimum standard should be adhered to. Mr. Kaldor gives reasons for

holding that "the financial burden which the Plan imposes on the various classes of the community (even if one leaves the benefits entirely out of consideration) is extremely small and cannot affect the post-war levels of taxation or disposable real income to any significant extent."

PATTERSON, S. HOWARD. *Social Aspects of Industry; A Survey of Labor Problems*. 3d edition. New York, London: McGraw-Hill, 1943. 536 pp.

A college text which includes sections on labor supply, income, welfare legislation, and related problems.

"President Urges Freedom From Want Program Upon Congress." *Social Security*, New York, Vol. 17, No. 2 (May-June 1943), pp. 1 ff.

A discussion of the NRPB reports.

RAMIREZ OTAROLA, JORGE. *Ante-Proyecto de Seguro Social del Empleado*. Lima, Peru: Empresa Editorial Rimac, 1943. 30 pp.

A proposed draft bill for insurance against sickness, maternity, disability, and funeral costs, for salaried employees in Lima and Callao. Accompanied by population data, including age groupings, and other actuarial considerations.

"Report on Social Security for Canada." *Labour Gazette*, Ottawa, Vol. 43, No. 4 (April 1943), pp. 429-433.

A summary of the Marsh report.

SCHEU, FREDERICK JOSEPH. *British Labor and the Beveridge Plan*. New York: Island Press, 1943. 128 pp.

Describes the plan, brings out labor viewpoints, and evaluates some of the discussion that has followed publication of the Beveridge report.

SLADE, CAROLINE. *Lilly Crackell*. New York: Vanguard Press, 1943. 609 pp.

A novel dealing with persons receiving and providing aid in an American small town. The author's former novels dealt only with recent welfare programs and their effects on individuals. This one traces its plot from 1918 well into the present war, through the various types of relief, chiefly public, which have operated during the past generation.

"A Social Insurance Bill in Colombia." *International Labour Review*, Montreal, Vol. 48, No. 6 (June 1943), pp. 786-788.

Summarizes a bill approved by the Colombian Senate on December 10, 1942.

"The Social Insurance Movement in Cuba." *International Labour Review*, Montreal, Vol. 48, No. 6 (June 1943), pp. 784-785.

Notes the appointment of an inter-departmental social security commission on April 1, 1943, and describes a Doctor's Pension Act promulgated February 20, 1943.

"Social Security in Ecuador." *Bulletin of the Pan American Union*, Washington, Vol. 77, No. 6 (June 1943), pp. 332-337.

SOLMSEN, KURT. "A Way to Head Off Inflation." *Harper's Magazine*, New York, Vol. 187, No. 1,117 (June 1943), pp. 72-74.

Advocates social insurance coverage for all occupations and for the armed services, with larger wage deductions, as a means of combating inflation and providing protection for the post-war period.

WUNDERLICH, FRIEDA. "The Beveridge Plan." *Social Research*, New York, Vol. 10, No. 2 (May 1943), pp. 233-245.

## OLD-AGE AND SURVIVORS INSURANCE

CONNECTICUT. TEACHERS' RETIREMENT BOARD. *Eighth Report . . . July 1, 1940-June 30, 1942*. Hartford (?), no date. 47 pp. (State of Connecticut, Public Document No. 69.)

ILLINOIS. BOARD OF TRUSTEES OF THE TEACHERS' RETIREMENT SYSTEM. *Third Annual Report . . . for the Year Ending June 30, 1942*. Springfield, Dec. 30, 1942. 32 pp.

MARYLAND. BOARD OF TRUSTEES OF THE TEACHERS' RETIREMENT SYSTEM. *Summary of the Fourteenth Annual Report . . . as of July 31st, 1941*. Baltimore, no date. 21 pp. Processed.

PIZER, MARGUERITE L. "The Jumble of Public Retirement Systems." *George Washington Law Review*, Washington, Vol. 11, No. 1 (December 1942), pp. 57-71.

An account of existing Federal and State retirement systems with suggestions for universal coverage under the old-age and survivors insurance system of the Social Security Act.

SIMONS, A. G. "Group Life and Pension Schemes." *Journal of the Institute of Actuaries*, London, Vol. 71, Pt. 3, No. 332 (1943), pp. 375-390. (Discussion, pp. 391-408.)

Discusses, from the actuarial standpoint, the nature of British group insurance. Contains data on the status of contributions with respect to taxation.

WISCONSIN. STATE RETIREMENT SYSTEM. *Annual Report, 1942*. Madison, Aug. 28, 1943. 10 pp.

## EMPLOYMENT SECURITY

MARSH, LEONARD C. "'Full Employment' for Post-War Canada: What It Means and What It Requires. Part I." *Canadian Welfare*, Ottawa, Vol. 19, No. 2 (June 1, 1943), pp. 2-7.

"1942 Unemployment Benefits Too Low for Family Needs." *Social Security*, New York, Vol. 17, No. 2 (May-June 1943), pp. 1 ff.

An analysis of unemployment compensation benefits and finance for 1942.

PENNSYLVANIA. DEPARTMENT OF LABOR AND INDUSTRY. BUREAU OF EMPLOYMENT AND UNEMPLOYMENT COMPENSATION. *Estimated Distribution of Unemployment Compensation Contributions and Benefits According to*

*Industry*. Prepared by Research and Statistics Section. Harrisburg, Apr. 19, 1943. 8 pp. Processed. (Statistical Information Bulletin No. 33.)

PENNSYLVANIA. DEPARTMENT OF LABOR AND INDUSTRY. BUREAU OF EMPLOYMENT AND UNEMPLOYMENT COMPENSATION. *Pennsylvania Covered Employers, Employment, and Wage Payments, by Size of Firm, for First Quarter 1942*. Prepared by Research and Statistics Section. Harrisburg, Apr. 22, 1943. 7 pp. Processed. (Statistical Information Bulletin No. 34.)

TSIANG, S. C. "The Effect of Population Growth on the General Level of Employment and Activity." *Economica*, Cambridge, England, Vol. 9 (New Series), No. 36 (November 1942), pp. 325-332.

"Unemployment Insurance in Canada." *Labour Gazette*, Ottawa, Vol. 43, No. 5 (May 1943), pp. 640-651.

The historical background of Canadian legislation with an outline of its administration from 1940 to 1943.

## PUBLIC WELFARE AND RELIEF

"Abolish the Means Test for Old Age Assistance." *Social Service Review*, Chicago, Vol. 17, No. 2 (June 1943), pp. 213-214.

An editorial advocating, "in place of the present means test for old age assistance a modest flat grant from the federal government, like \$365 a year (a dollar a day) for everyone below the income-tax level of 1941," to be supplemented by the States as they wish.

"Cleveland's Experience in the Development of Day Care Facilities." *The Compass*, New York, Vol. 24, No. 5 (June 1943), pp. 34-42.

Contains three papers: Organization of the Program, by Jeannette Marsal; The Counselor Speaks, by Caroline Ford; and Foster Day Care: An Evolving Community Service, by Glenna B. Johnson.

FREDERICKSEN, HAZEL A. "The Program of Day Care of Children of Employed Mothers." *Social Service Review*, Chicago, Vol. 17, No. 2 (June 1943), pp. 159-169.

HAMILTON, GORDON. "Counseling as Social Case Work." *Social Service Review*, Chicago, Vol. 17, No. 2 (June 1943), pp. 127-134. (Discussion, pp. 135-143.)

HOEY, JANE M. "The Contribution of Social Work to Government." *Tennessee Public Welfare Record*, Nashville, Vol. 6, No. 5 (May 1943), pp. 1-3.

KASIUS, PETER. "Mobilization of Welfare Resources." *The Compass*, New York, Vol. 24, No. 5 (June 1943), pp. 8-11.

Outlines some "minimum essentials of welfare" that government should provide.

LEET, GLEN. "Use of a Social Worker in a United States Employment Service Office." *The Compass*, New York, Vol. 24, No. 5 (June 1943), pp. 42-44.

How the Providence, Rhode Island, office increased placements of assistance recipients.

"Resources Investigation Division." *Monthly Caseload Report* (Department of Public Assistance, Philadelphia County Board), Philadelphia, April 1943, pp. 1-6. Processed.

Mass methods of checking the employment factor in determining eligibility for relief, as they have operated in Philadelphia for 10 years.

SORRELLS, ANITA. "Utilization of Resources and Coordination With Other Community Services." *Tennessee Public Welfare Record*, Nashville, Vol. 6, No. 4 (April 1943), pp. 6-7.

Suggestions and examples for child welfare workers.

"When Mothers Work." *The Compass*, New York, Vol. 24, No. 5 (June 1943), pp. 16-18.

Recommendations on day care for children by the Committee on Standards of Service for Children of the New York City Chapter of the American Association of Social Workers.

## HEALTH AND MEDICAL CARE

BENNER, PAUL V. "Medical 'Insurance Plans' for Federal Assistance Cases in Kansas." *Medical Care*, Baltimore, Vol. 3, No. 2 (May 1943), pp. 145-150.

An account of voluntary plans in 28 Kansas counties by which—under agreement between county medical societies and county welfare departments—individuals receiving public assistance may obtain allowances for the purpose of paying monthly for medical care.

BLANC, ALBERT D. G. "New Zealand Medicine; What Medical Practice Is Like Under the Social Security Scheme." *Medical Care*, Baltimore, Vol. 3, No. 2 (May 1943), pp. 117-126.

By a New Zealand physician.

CANADA. ADVISORY COMMITTEE ON HEALTH INSURANCE. *Health Insurance; Report . . . Presented on March 16, by the Hon. Ian Mackenzie, Minister of Pensions and National Health*. Ottawa, 1943. 558 pp. (House of Commons, Session 1943, Special Committee on Social Security.)

A comprehensive work centering on the draft health insurance measure for Canada but including historical and comparative surveys of some 40 national systems, compulsory and voluntary. Contains a statistical survey of public health in Canada and a Province-by-Province survey of hospital and medical facilities. Includes the text of the Canadian draft bill and information on health insurance trends in Canada and the United States.

CANADA. ADVISORY COMMITTEE ON HEALTH INSURANCE. *Tentative Estimate of Cost of Health Insurance and of the Amount of Dominion Grants for Public Health Services, Based on the Fourth Draft of the Health Insurance Bill*. Ottawa: Dominion Bureau of Statistics, 1943. 10 pp. Processed.

"Canadian Government Proposes Broad Health Insurance." *Social Security*, New York, Vol. 17, No. 2 (May-June 1943), p. 8.

DAVIS, MICHAEL M. "Canada's National Health Bill." *Medical Care*, Baltimore, Vol. 3, No. 2 (May 1943), pp. 127-144.

The background of the bill, a summary of provisions, and comment.

FALK, I. S., AND VAN STEENWYK, E. A. "What's the Future of Hospital Insurance?" *Modern Hospital*, Chicago, Vol. 60, No. 6 (June 1943), pp. 58-59 ff.

Opposite viewpoints of the desirability of compulsory hospitalization insurance are given by the authors. In "It's a Federal Problem" Mr. Falk advocates such insurance and points out different possible methods of paying benefits. Mr. Van Steenwyk, in "It Must Be Voluntary," declares that expanded voluntary membership in Blue Cross plans is preferable to governmental measures.

HYSER, CHARLES L. "Proposal for the Establishment of a Dental Hospital, Graduate School in Dentistry, and Dental Research Center." *Medical Care*, Baltimore, Vol. 3, No. 2 (May 1943), pp. 151-154. (Discussion, pp. 155-163.)

Summarizes a plan for reducing dental costs by a type of clinic that would speed up operations through division of labor. The plan was originally proposed before a Senate Subcommittee of the Committee on Education and Labor.

MARYLAND STATE PLANNING COMMISSION. COMMITTEE ON MEDICAL CARE. *Initial Report*. Baltimore: The Commission, March 1943. 14 pp. (Publication No. 38.)

Briefly explains the background and nature of the Committee and presents conclusions and recommendations for a program of care for the "medically indigent" in Maryland.

NEW HAMPSHIRE. COMMISSION ON DISABILITY BENEFITS. *Supplemental Report . . . 1943*. Concord (?), Mar. 26, 1943. 30 pp.

Advocates a compulsory system of sickness and disability insurance, to be administered as an integral part of the New Hampshire system of unemployment compensation.

"The Planning of Medical Services in Australia." *International Labour Review*, Montreal, Vol. 48, No. 6 (June 1943), pp. 731-745.

Summarizes recommendations of the National Health and Medical Research Council and the Federal Council of the British Medical Association in Australia.

"Proposed Measures for Health Insurance in Canada." *Labour Gazette*, Ottawa, Vol. 43, No. 4 (April 1943), pp. 433-436.

"The Wagner-Murray-Dingell Social Security Plan." *Journal of the American Medical Association*, Chicago, Vol. 122, No. 9 (June 26, 1943), pp. 609-611.

An analysis by the AMA's Bureau of Legal Medicine and Legislation of the medical aspects of the bill for social security expansion introduced June 3 in the Senate and House (S. 1161, H. R. 2861). The same issue contains an editorial on the bill.